FONDS DE RÉSERVE POUR LES RETRAITES

ANNUAL REPORT 2025

CONTENTS

*"Investing to create sustainable value to meet the **major public challenges of tomorrow**"*

2025 IN FIGURES

The FRR's assets at end of 2025:

€20.7 B

+9.1%

Asset performance in 2025, net of expenses

+€15.6 B

Value creation compared to an investment in French debt since end of 2010

+4.4%

Annualised performance since end of 2010

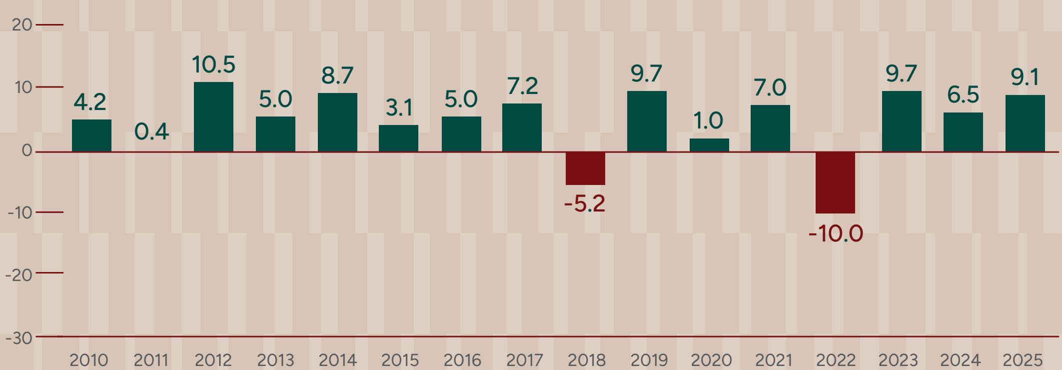
€6.7 B

Amounts invested
in the French economy

-50%
and -26%

Changes
in carbon footprints
of corporate equity and bond portfolios
since 2019

FRR's net annual performance (%)



Since the introduction of the pension reform in 2010, the FRR's financial model has undergone significant changes:
– the FRR no longer receives income (1.5 to 2 billion euros a year until 2010);
– the FRR's payments to the Cades amounted to 2.1 billion euros a year until 2024 and, for the period 2025 to 2033, amount to 1.45 billion euros a year.

FOREWORD BY THE CHAIRMAN OF THE SUPERVISORY BOARD AND THE EXECUTIVE BOARD

SANDRINE LEMERY
Chair of the
Supervisory Board

As we approach the 25th anniversary of its creation through the Law of July 2001, the *Fonds de Réserve pour les Retraite* ended 2025 with a performance of 9.06%, after a year marked by uncertainty surrounding the U.S. administration's economic policy – and particularly tariffs – and persisting geopolitical tensions.

Following gains of 6.46% in 2024 and 9.66% in 2023, the annualised performance since payments to the Cades were introduced at the end of 2010 now stands at 4.4%, i.e. 304 points above the average cost of French debt over the period.

Long-term value creation through optimised dynamic allocation

After the 15th annual payment to the Cades in June 2025, the FRR returned €3.6 billion more than the funds it was endowed with. At the end of 2025, its net assets stood at €20.7 billion, as opposed to €20.4 billion at the end of 2024, i.e. an increase of €315 million (or an increase of nearly €1.8 billion in restated payments to the Cades).

The FRR confirmed the robustness of its model across varied market environments, owing to a long-term allocation policy based predominantly on equities and intermediate-risk assets.

In June 2025, the Supervisory Board increased the weighting of equities to 50% – 46% of which were not hedged by option strategies – representing a 4.5-point increase compared to 2024, which was offset mainly by a reduction in the weighting of hedging assets.

Changes to the portfolio in 2025 are part of a dynamic reflecting the decision taken in 2024 to extend the FFR's management horizon, and resulting in a 13.5-point increase in the weighting of unhedged equities over the last two years.

This decision was taken with a view to increasing the FRR's projected, long-term median net assets, without a significant increase in risk over the investment horizon compared to the previous allocation.

This approach was unanimously approved and reflects the quality of dialogue and the transparency that characterise the governance of the FRR. The FRR was also singled out for the "Prize for Transparency in Financial Communication to its Stakeholders and Governing Bodies", awarded by the *Couronnes de l'AGEFI*.

On the financial side, the shift in asset allocation towards more performance assets generated an annualised surplus return of 0.9% over 2 years.

As such, since the end of 2010, the FRR has created €15.6 billion in additional value – including €1.5 billion in 2025 – compared to the average cost of French government debt.

Equities and intermediate-risk assets increased by 163.1% over the period, while hedging assets posted a more limited increase of 27.6%.

The question of increasing the share of capitalisation in the financing of future pensions is regularly raised in the public debate. In this context, FRR is a concrete example of a collective accumulation mechanism capable of delivering, over a long period, a return that is significantly higher than the cost of debt, in an environment where risk is controlled.

Since 2010, the FRR has honoured all of its scheduled annual payments to the Cades, across a wide range of market configurations, while applying an ambitious policy of responsible investment in the social, environmental and governance fields. Its long-term horizon also enables the FRR to have a significant impact on the financing of the French and European economies.

High standards and a constant search for sustainable performance

The FRR has also decided to begin investing in highly rated European securitised assets. This decision reflects a two-pronged approach that entails taking advantage of the additional return offered by these instruments, and further diversifying the FRR's bond portfolio, while at the same time contributing to the development of the Capital Markets Union in Europe.

At the beginning of 2025, the FRR increased its support for small and medium-sized companies by redeploying €100 million towards mandates for listed French small-cap equities, whose valuations have declined significantly since 2018, even though this class of shares exhibits good fundamentals. The FRR also launched two calls for tenders for the management of dedicated unlisted asset funds invested in SMEs and mid-tier companies – mainly French –, for a total of approximately €1 billion (in private equity funds and unitranche debt), with a view to supporting their growth and development.

OLIVIER SICHEL
Chair of the Executive Board

ADRIEN PERRET
Member of the Executive Board

Finally, in terms of the FRR's responsible investment policy, the year was marked by the moves made by the FRR to step up focus on two fronts. Firstly, the exclusion criteria for thermal coal and unconventional fossil fuels were tightened. The following are now excluded: all financial instruments issued by companies whose activities involving the extraction of thermal coal or the production of electricity, heat or steam from coal, exceed 1% of their turnover, as well as all financial instruments issued by companies that generate more than 10% of their turnover in unconventional fossil fuels, or are involved in the development of new unconventional fossil fuel projects.

Secondly, the FRR engaged in closer dialogue with portfolio companies exposed to conventional fossil fuels, either directly or through its asset managers, with a view to accelerating the development and implementation of net-zero-compatible decarbonisation pathways by 2050.

Part of the year was also dedicated to developing forward-looking climate indices with a view to increasing the weighting of companies committed to decarbonising their activities and products, and companies whose green investments account for a significant part of their investments.

The FRR maintains a policy that is resolutely geared towards supporting the energy and ecological transitions, a key factor for long-term sustainable performance.


SALWA BOUSSOUKAYA-NASR
Member of the Executive Board

2001-2026:

25 YEARS SERVING OUR PURPOSE

INNOVATIVE

- Tenders specialist: approximately **90** calls for tenders in 25 years, including a huge initial call for tenders comprising **12** lots worth **€16 billion** in 2003
- Carbon footprint measurements as of 2007
- Innovative mandates and asset classes: overlay and transition management, emerging market bonds, high-yield bonds, securitisation, option strategies, etc.
- Passive management of custom-built smart beta indices
- Mandatory voting on **100%** of the portfolio since 2004

COMMITTED

Strong support for the French economy and sovereignty issues (defence, transition, digital, health, etc.)

- **32%** of assets invested in France
- High exposure to small-cap companies
- **80%** of unlisted assets invested in France
- **€4.7 billion** historically committed to unlisted assets in SMEs and mid-tier companies; **€500 million** per year as of 2025

Sustainability issues enshrined in the FRR's founding texts at its creation

- Historical member of major initiatives: PRI, CA 100+, NZAO
- Significant shareholder engagement
- Extremely strict ESG criteria

IMPRESSIVE PERFORMANCE

- Value creation over and above the average French debt rate: more than **3%** per year
- A robust ALM model incorporating the latest models
- A share of performing assets in the allocation
- Very low running costs
- Significant reduction in the portfolio's CO_2 emissions since 2013: **-71%** for equities
- Control of financial and operational risks

NOTEWORTHY EVENTS IN 2025

INVESTMENT POLICY

- Adoption of a strategic allocation comprising **46% unhedged equities**; **+4.5 points** compared to the 2024 allocation
- Allocation of Japanese equity mandates covering all capitalisations; OAT-matched mandates; overlay mandates

RESPONSIBLE INVESTMENT POLICY

- Tightening of the exclusion policy, in particular for businesses whose operations are linked to coal and unconventional energy sources
- Launch of a call for tenders for equity-index replication for management consistent with the Paris Agreement
- Within the *FIR* (Forum for Responsible Investment), jointly spearheaded the launch of a working group to assess the effectiveness of the engagement policy and engagement with the Saint-Gobain group

INVESTMENT IN THE FRENCH ECONOMY

- Launch of two calls for tenders for private equity (in funds of funds) and unitranche private debt, targeting at least 80% of French companies, with the aim of committing around €100 million per year each
- New commitments in the amount of €500 million in unlisted assets via fund selection, including €260 million in infrastructure

AWARDS FOR THE MANAGEMENT OF THE FRR

- AGEFI's 2025 *Couronnes Instit Invest* Prize for transparency in financial communication
- 2025 IPE Awards (Investment & Pensions Europe) Prize for France

GOVERNING BODIES
AS AT 31 DECEMBER 2025

Supervisory Board

Chair
Sandrine Lémery

Members of the National Assembly
Éva Sas, Arnaud Simion

Members of the Senate
Philippe Mouiller, Solanges Nadille

Qualified Individuals
Sandrine Lemery, Chair of the Supervisory Board

Philippe Tibi, Vice-Chair of the Supervisory Board

Insureds' representatives appointed by the cross-industry trade union organisations represented at national level

Confédération générale du travail
Olivier Blamangin, Vice-Chair of the Supervisory Board; Hélène Guerra (alternate)

Confédération générale du travail Force ouvrière
Philippe Soubirous; Éric Gautron (alternate)

Confédération française démocratique du travail
Laetitia Tankwe; Thibault Sellier (alternate)

Confédération française des travailleurs chrétiens
Isabelle Sancerni; Pierre-Alexis Vandenboomgaerde (alternate)

Confédération française de l'encadrement – CGC
Jean-Arnaud Guyard

Employers' and sole proprietors' representatives

Mouvement des entreprises de France
Éric Pinon; Jacques Vessaud (alternate)

Clara Tousch; Éric Andrieu (alternate)

Philippe Poiget; Nicolas Bondonneau (alternate)

Confédération des petites et moyennes entreprises
Alain Duffoux (until 10 December 2025)

Union des entreprises de proximité
Corinne Postel

Representatives of the minister responsible for social security, appointed by order of the Minister for Social Security
Pierre Pribile; Morgan Delaye (alternate)

Thomas Ramilijaona; Charles Boriaud (alternate)

Representative of the minister responsible for the economy, finance and industrial, energy and digital sovereignty
Christophe Bories; Philippe Guyonnet-Dupérat (alternate)

Representative of the minister responsible for the budget, appointed by order of the minister responsible for the budget
Élise Delaître; Olivier Dufreix (alternate)

Supervisory Board Committees

Investment Strategy Committee

The role of this committee is to take stock of the economic and financial environment and, where necessary, to formulate opinions on changes in the financial management of the FRR.

Audit and Accounts Committee

This committee is responsible for conducting the statutory audit of the FRR's annual accounts, validating information on its financial management and on the effectiveness of its information systems, internal control systems, and risk management systems.

Responsible Investment Committee

This committee is responsible for overseeing the implementation of the Supervisory Board's guidelines on the FRR's responsible investment strategy.

Executive Board

Chair

Olivier Sichel

Members of the Executive Board

Salwa Boussoukaya-Nasr

Adrien Perret

Manager Selection Committee

Chair

Adrien Perret

Members of the Manager Selection Committee

Anne Courrier

Catherine Guinefort

Louis Pestel

Patrick Savadoux

OUR TEAMS

In 2025, the FRR had 48 permanent staff, 41 of which were under contract with the Caisse des Dépôts.

All perform their functions under the authority of the Executive Board, which oversees a finance division, an operations and risks division, and a legal and communications division.

The FRR maintains a high level of process security, thanks to effective and reliable management and analysis tools, and constantly reviews the efficiency of its organisation.

Executive Committee

The FRR's activities are defined around three departments and independent control functions.

These departments are represented on the Management Committee, whose members include:

- Salwa Boussoukaya-Nasr, Member of the Executive Board
- Adrien Perret, Member of the Executive Board
- Pierre-Olivier Billard, Financial Director
- Sidonie Freoa Dhekaier, Legal and Communications Director
- Rachel Cascajo, Director of Operations and Risks

Finance Division

Asset Allocation Department

The Asset Allocation Department carries out functions in connection with the FRR's long-term investment strategy, including analyses supporting recommendation to the Supervisory Board when reviewing the strategic allocation, and is responsible for monitoring the economic situation and analysing financial markets as part of the tactical management process. It is also responsible for selecting the portfolio's indices, which are used as a reference for asset managers implementing active management strategies, or as "smart beta" indices in systematic management strategies.

Responsible Investor Strategy Department

Created on 1 September 2025, the Responsible Investor Strategy Department is responsible for changes in the FRR's sustainability policy, in line with the FRR's five-year sustainability plan, which it helps to implement, in collaboration with the other departments. It therefore has a significant impact on manager selection criteria, voting and engagement policies, the creation of indices, and the ethical and climate exclusion policy.

Delegated Management Department

The Delegated Management Department oversees the selection procedures for external managers, and monitors all of the FRR's management mandates and UCIs involving listed and unlisted assets. In particular, it contributes to the implementation of the responsible investor strategy, analyses portfolio performance, and ensures that managers provide all financial services under their mandate.

Legal and Communications Division

The Legal and Communications Department oversees the legal aspects of the FRR's activities.

It monitors the selection procedures for portfolio management companies to which management or dedicated fund mandates are awarded. It analyses and engages in negotiates on the legal documentation for investment transactions in investment funds. It tracks contracts or agreements entered into with the FRR's financial and non-financial service providers.

It is also responsible for the FRR's communications.

Operations and Risk Division

HR and management control department

This department is responsible for the operational oversight of human resources and management control, and deploys the FRR's internal social and environmental responsibility approach.

Middle office department

This department is responsible for operational relations with management companies and external service providers, and for confirming valuations and monitoring compliance.

Information system, organisation and projects department

This department is responsible for general project management, and ensuring the availability and budgetary monitoring of all software applications and services forming the FRR's information systems map, in collaboration not only with the Caisse des Dépôts group's internal service providers, but also with all external providers, financial information suppliers, and software publishers.

Performance and financial and operational risks department

This department measures financial performance, oversees the FRR's financial and operational risks, and prepares the work of the Risks Committee.

Executive assistants

They ensure the effective daily organisation of the FRR's teams and management. They are also responsible for organising the FRR's governing bodies.

Independent Functions: Accounting Agency

The accounting agency is responsible for maintaining the FRR's accounts, and for safe-keeping accounting records and documents. Once mandated by the authorising officer, it manages the securities corresponding to the FRR's income and expenses. It prepares an annual report on the accounts for the financial year. The FRR is subject to financial control by the State, and by the Cour des Comptes (the body responsible for auditing the use of public funds), the *Inspection Générale des Finances* (Inspectorate-General of Finances), and the *Inspection Générale des Affaires Sociales* (Inspectorate-General of Social Affairs).

1

THE FRR'S INVESTMENT STRATEGY CREATES SUSTAINABLE VALUE

THE FRR'S MISSIONS

The FRR is a public institution whose purpose is to invest the sums entrusted to it by the public authorities. The FRR's investment policy seeks to optimise returns in as secure a manner as possible, with a view to contributing to the financing of retirement pensions. The FRR seeks to achieve performance that outweighs the cost of the public debt, in order to create value for the State.

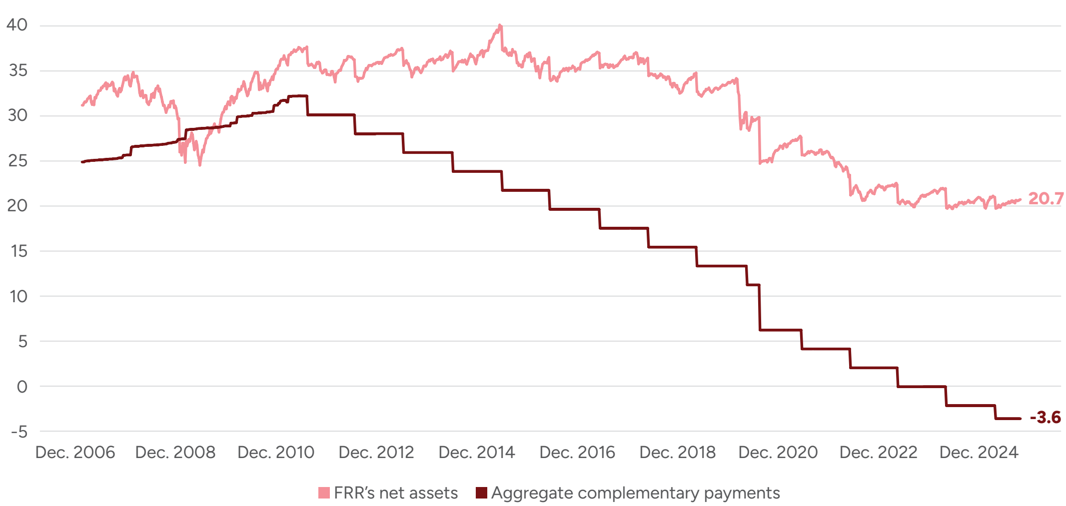
Changes in asset position

In 2025, the overall performance of the portfolio's hedging assets increased to 1.9% (and 27.6% in aggregate since 2010), whereas that of its performance assets (including equities and intermediate risk assets) was 12.9% (163.1% since 2010). As a result of this performance, the value of the FRR's assets increased by 9.1% to stand at €20.7 billion at the end of 2025. In monetary terms, the FRR's assets gained €0.32 billion in value in 2025 and, when adjusted for the €1.45 billion payment to the Cades in June, they gained €1.77 billion.

From the end of 2010 to 2024, the FRR's liabilities comprised 14 annual payments of €2.1 billion. However, following the health crisis, the FRR's asset position changed in 2020, owing to the immediate return of the CNIEG balance (approximately €5 billion) and the addition of 9 annual payments of €1.45 billion to the FRR's liabilities, for 2025 to 2033.

The FRR has now repaid all of the sums allocated to it (around €32 billion), and paid out €3.6 billion in excess of this amount. Overall, therefore, the FRR has generated €24.3 billion in gross value over and above the allocations that it has received since its inception.

Change in the FRR's net assets as at 31/12/2025 (in billions of euros)



Value creation

Value creation represents the difference between the increase in the FRR's assets (adjusted for complementary payments and disbursements since the end of 2010) and cost of interest on the short- and medium-term debt (taking into account the Cades financing premium) that the State had to issue to cover its financing requirements.

Since the implementation of the liability-based management model at the end of 2010, the FRR has created €15.6 billion in additional value – up €1.5 billion in 2025 – compared to the average cost of French government debt. This increase comes against a backdrop of an increase in the average cost of French debt, which stood at 3.2% in 2025.

Value created by the FRR compared to an investment in French debt (in billions of euros)

Economic and market environments in 2025

Economic situation

Following on from 2024, the trend of resilient global growth and declining inflation continued in 2025. Despite the tariff shock, the uncertainty caused by the US administration's economic policy, and persistent geopolitical tensions (Ukraine, Middle East), the global economy saw stable growth in 2025, standing at 3.3% (unchanged compared to 2024) – according to the IMF's estimate – and 1.7% for developed countries (1.8% in 2024). Headline inflation continued to fall, although the decline was much more moderate in developed economies.

Against this backdrop, central banks in advanced economies began easing their monetary policies, albeit following different schedules. The ECB continued its rate cutting cycle – which began in June 2024 – and reduced its deposit facility rate by 100 basis points, bringing it down to 2%. The Fed paused its rate cuts from December 2024 to September 2025 and then, in response to signs of weakening in the labour market mid-year, implemented 3 rate cuts, bringing the Fed funds rate to 3.75% in December. Unlike its US and European counterparts, the Bank of Japan continued to maintain a cautious monetary tightening cycle.

In 2025, the international environment was marked by a resurgence in trade tensions, prompted by the extensive protectionist measures implemented by the new Trump administration, to which targeted trading partners responded with countermeasures. At the height of the post-Liberation Day tensions, the effective tariff rate on products imported into the United States peaked at 28% (compared to 2.4% at the beginning of January), according to the Yale Budget Lab's calculations. Despite the easing of trade that began in mid-April, this rate remained high (around 17% at the end of 2025). In response to this severe tariff shock, the manufacturing sector exhibited surprising resilience, containing the impact on activity and inflation by anticipating imports (front-loading) in the first half of the year and rapidly reorganising supply chains.

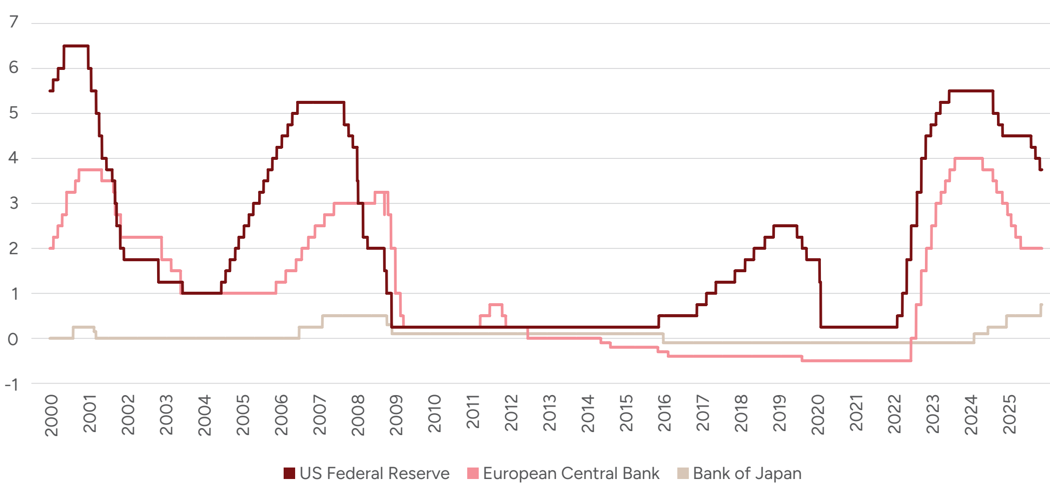
After exhibiting strong momentum in 2024, the US economy entered a slowdown phase, with growth eventually stabilising at around +2.1% in 2025 (after +2.8%). Activity was dampened by the still-restrictive monetary policy, and the supply and uncertainty shocks triggered by the Trump administration's economic policy, most notably rising tariffs and immigration control. However, developments in the field of artificial intelligence – which became a structuring factor for the US economy – supported dynamic investment and, to some extent, cushioned the slowdown in domestic demand. Despite a limited increase in the unemployment rate in 2025 (+0.4 points), the labour market slowed sharply, impacted as it was by a decline in job creations and an active population held in check by anti-immigration measures. Inflation remained subject to upside risks, especially those in connection with the US's trade policy. After slowing to +2.3% in April, the consumption deflator reached +2.9% at the end of the year, and underlying inflation pressures remain elevated, limiting the Fed's easing cycle.

In the eurozone, growth was once again moderate in 2025 (around +1.4%, after +0.9% in 2024), but more resilient than expected. It was supported by the decline in inflation – which, globally, was brought back down to the ECB's target of 2% (+2.0% for total inflation, and +2.3% for underlying inflation in December) – the ongoing reduction in key rates, and the initial stages of the implementation of the German fiscal stimulus plan. Consumption accelerated slightly, but investment remained cautious in a business climate that was adversely affected by the uncertainty surrounding trade policies, and political instability in France. The labour market remained relatively robust, with a low unemployment rate (at 6.2%) despite a marked slowdown in job creations.

In Japan, growth picked up considerably in 2025 (+1.1% after -0.2%), and the sustained exit from deflation prompted the BoJ to gradually normalise its monetary policy. The rebound in household consumption, supported by wage growth, dynamic exports of tourism-related services, and business investment supported by public policies (infrastructure and digital plans), contributed to the recovery in activity. Inflation, which had been above 2% since mid-2022, remained resilient at +3.0% for the non-energy and food component, the BoJ's preferred indicator.

Growth in emerging and developing economies was expected to be +4.4% in 2025 (after +4.3% in 2024). In China, growth stabilised at +5.0% in 2025, despite the trade war with the US. The authorities' effort to maintain the growth objective was based on support for investment in the manufacturing sector – particularly with a high technological content – and targeted interventions to contain the crisis in the real-estate sector. The Chinese central bank is also acting to maintain accommodative monetary conditions. Against a backdrop of production overcapacity, the disinflationary environment persisted, with total inflation close to 0% and a decline in producer prices.

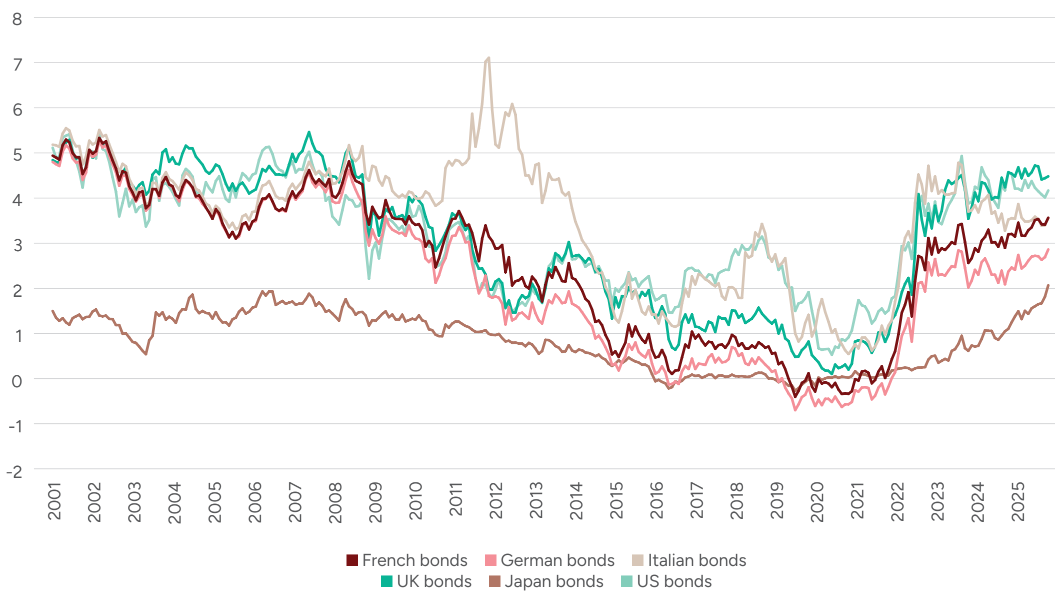
Central banks' key rates: United States, Eurozone, United Kingdom, Japan (%)



Performance of investment-grade bonds

The chart below shows the changes in the 10-year interest rates in the main Eurozone countries (Germany, France, and Italy), the United States, Japan and the United Kingdom.

10-year interest rates on sovereign bonds since 2000 (%)



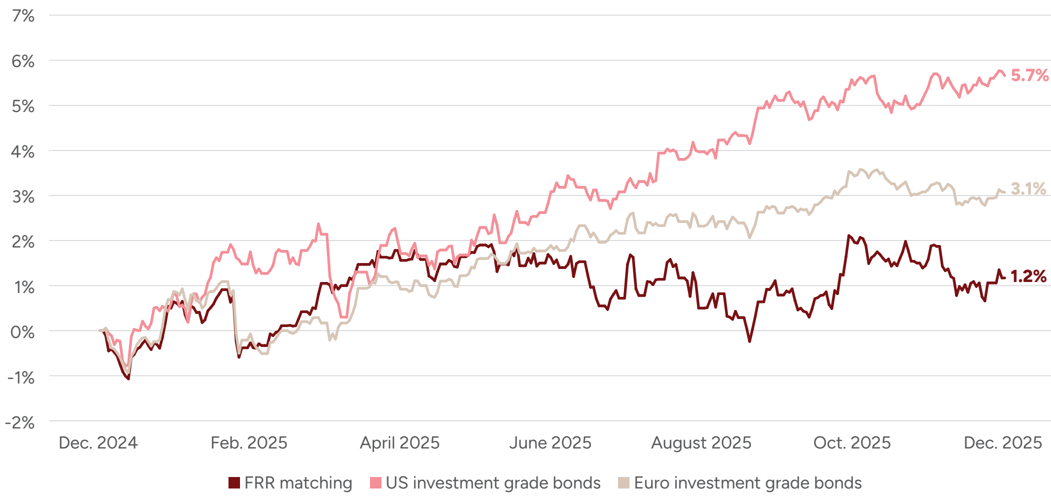
In the United States, sovereign interest rates fell slightly, down from 4.6% at the beginning of the year to 4.2% at the end of December (for the 10-year benchmark). Despite the cycle of key rate cuts commenced by the US central bank (FED) in September 2024, medium- to long-term interest rates were supported by resilient economic growth in the United States and persisting core inflation.

In France, sovereign interest rates increased slightly, up from 3.2% at the beginning of the year to 3.6% at the end of December (for the 10-year benchmark), without exhibiting extreme fluctuations over the course of the year, despite the unstable political environment.

This slight increase in French rates was offset by a positive carry, resulting in an increase in matching performance in 2025. In addition, credit assets were supported in 2025 by a decline in credit spreads for euro and dollar issues.

Performance of hedging assets in 2025

Performance calculated taking into account foreign exchange hedging for the Strategic Allocation



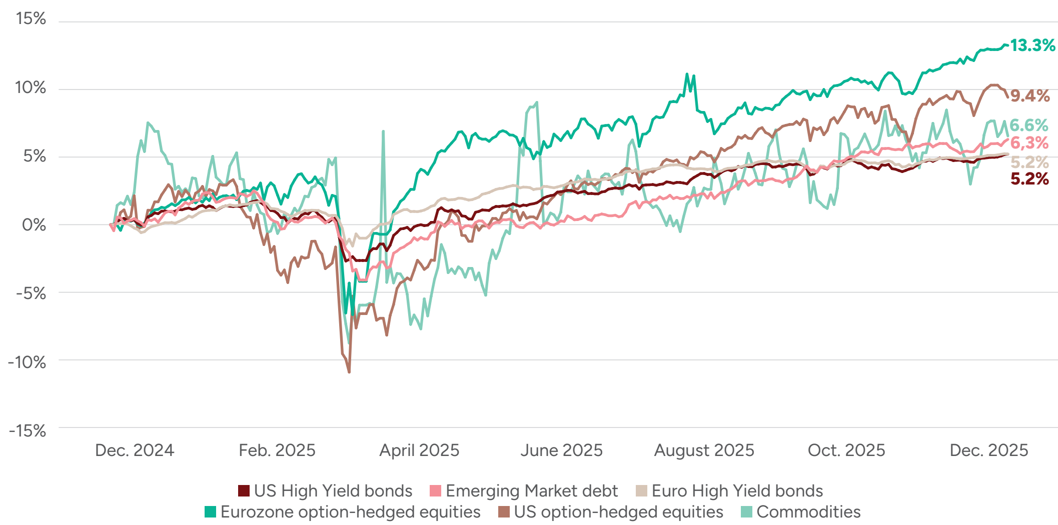
In terms of investment grade corporate bonds, 2025 was an excellent year for US corporate debt, which returned a performance of 5.7%, driven by the fall in US rates over the period. European corporate debt gained 3.1%. Euro investment grade corporate spreads fell by 0.24%, continuing their downward trend which began in autumn 2022, while those in USD were relatively stable compared to year end 2024. Spreads thus remain at historically low levels of 0.78% for issues in euros and dollars.

Performance of intermediate-risk assets

The FRR's intermediate-risk assets include option-hedged equities, emerging market debt, and euro- and dollar-denominated high-yield corporate bonds. In terms of the intermediate risk assets compartment, emerging market debt delivered good performance over the year (6.3%), while high-yield corporate debt had another strong year, gaining 5.2% in both zones (8.3% in 2024). Like investment grade corporate bonds, euro high-yield bond spreads decreased by 0.44% and those in USD by 0.21%, continuing their downward trend, which began in autumn 2022. As was the case for investment grade corporate bonds, spreads for riskier corporate bonds were relatively low, at 2.7% for euro and dollar issues.

Performance of intermediate risk assets in 2025

Performance calculated taking into account foreign exchange hedging for the Strategic Allocation



Performance of non-option-hedged equities

Despite trade tensions, resilient global growth and major Western central banks' ongoing cuts in key interest rates benefited equity markets. In 2025, the World index gained 16.3%, but there was a rotation between different zones compared to 2024.

As a result, US equities rose less than the global average in 2025, despite having driven market growth in 2023 and 2024. However, the gap narrowed in the second half of the year, as trade tensions eased, and the index finished the year with a performance of +15.0%. 2025 was the third consecutive year of growth exceeding 10% (+24% in 2024, +23% in 2023), driven by the earnings of the technology sector's "Mega-caps". Indeed, their profits gained 11% over the year. However, their valuations remain at very high levels (around 22 times 12-month forward earnings) and fears as to whether this growth could be sustained in 2025 grew, as investment amounts continued to grow, fuelling fears of a downward adjustment in AI-related assets.

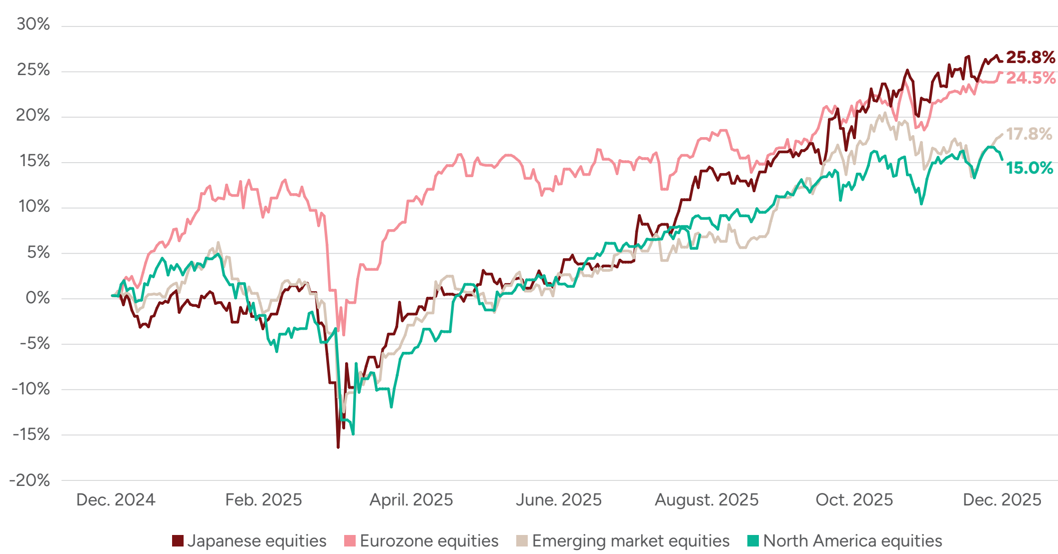
In Europe, the announcement of the German stimulus package triggered a 10% increase in the index in January, which closed the year at +24.5%. This increase was not justified by the growth in profits in the zone (+1.8%), and automatically led to an increase in valuations (prices corresponded to 16 times the expected year-end profits for 2025). However, the good performance of the European index masked strong disparities between regions: France underperformed the other countries in the zone by around -10%. It should be noted that, overall, European small-cap equities delivered the same return as large-cap equities in 2025. However, their annualised return over the previous 5 years was 8.6%, compared to 12.4% for large caps.

The performances of the Japanese and emerging markets indices were also strong (+25.8% for Japan and +17.8% for emerging markets), supported by 6% and 8% growth in corporate earnings, respectively, and by increases in valuations.

The chart below shows the very favourable performances of the FRR's main equity indices in 2025. Differences were less marked in 2025 than in 2024.

Performance of equity markets in 2025

Performance calculated taking into account foreign exchange hedging for the Strategic Allocation



RIGOROUS MANAGEMENT PROCESS

Asset Allocation

Asset allocation process

Asset allocation studies are carried out by the Asset Allocation Department and serve as the basis for the Executive Board's recommendations to the Supervisory Board.

The long-term strategic allocation is reviewed every year after adoption by the Supervisory Board. In 2025, the studies were based, firstly, on two long-term macroeconomic scenarios: a baseline scenario that was more or less in line with the consensus, and a more conservative scenario that was used as the basis for forecasts for GDP growth, unemployment, core and total inflation, and growth in equity earnings, in France and in the United States. Each scenario included a margin for uncertainty. Furthermore, since 2022, climate scenarios, based on the framework designed by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS), have been associated with each of the macroeconomic scenarios.

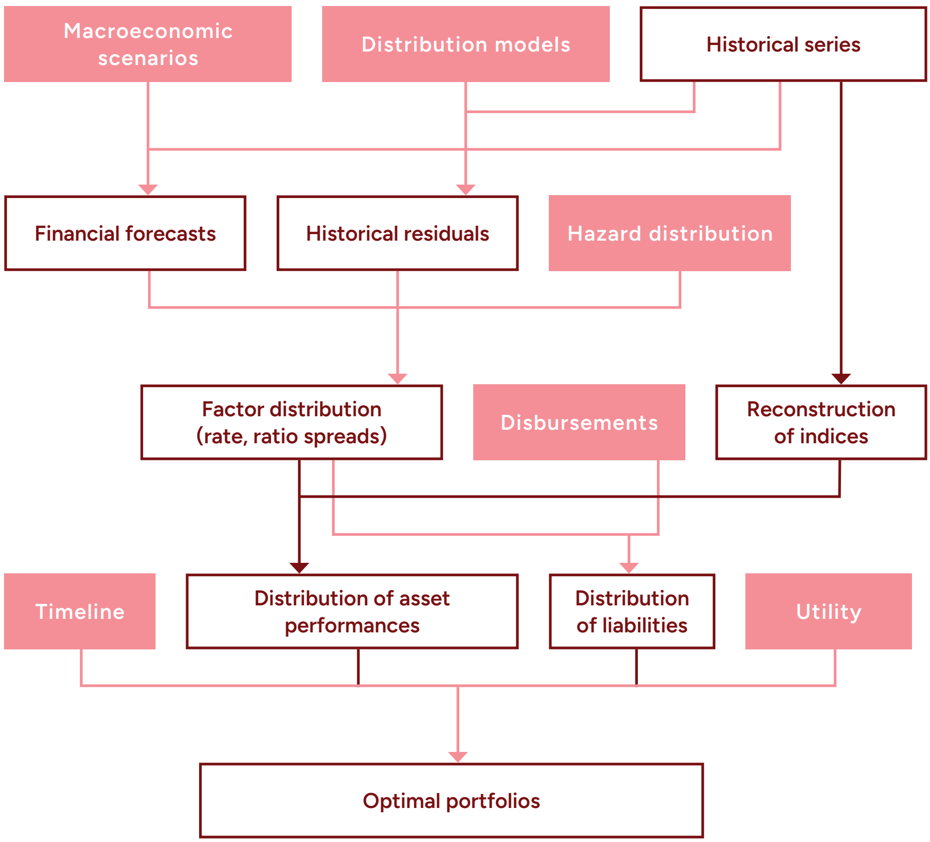
The update of phase V of the NGFS work, published in November 2024, highlighted a more severe impact of physical risk than in previous versions, with a high margin of uncertainty. By 2043, since the uncertainty surrounding the cost induced by physical risk could prove to be more differentiating than the nature of the transition that is chosen, the way in which these issues are taken into account in the long-term economic scenarios was changed.

The "Below 2°C" climate transition, which was previously associated with the baseline scenario, was replaced by the "Delayed Transition" approach in both scenarios: emissions continue to increase until 2030 and then lead to the introduction of more restrictive policies to achieve a 2°C temperature rise target by 2100 (as in the "Below 2°C" scenario). The distinction between the baseline scenario and the downgraded scenario is now mainly based on how the impact of the physical risk is taken into account. The conservative scenario takes into account the damage function introduced in Phase V in November 2024, increasing the cumulative GDP loss relative to the baseline scenario.

The economic projections of the two scenarios are then translated into market variables, including short- and long-term rates in France and the United States, the risk premiums associated with the various bonds, and equity valuations. The uncertainty associated with the parameters of the models underlying the forecasts is quantitatively translated using a Bayesian approach: in addition to taking into account the uncertainty of the forecasts, Bayesian inference is a transparent way of combining qualitative-assessments components and observed historical data.

The second type of uncertainty is the stochastic uncertainty inherent in financial markets, which exhibit a certain degree randomness. Factors reflecting this uncertainty are injected into the models used to determine the distributions of the various factors that are modelled. These models include the Diebold-Li model on interest rates (based on Nelson Siegel factors), the Black-Karasinski model on risk premia, and Campbell-Shiller model on equity returns. Finally, factor distributions are used to obtain asset-class performance distributions.

This process is used to reconstruct the returns on asset classes exhibiting characteristics that have been historically observed, while at the same time reflecting opinions on their future behaviour. The quantitative techniques used are academically proven, robust, and transparent, and provide the governing bodies with a high degree of confidence in the results obtained. Thus, these returns, combined with the FRR's financial position (assets and liabilities, investment timeline) and its utility (management objectives and risk aversion), serve as the basis for the development of optimal portfolios.



These optimal portfolios are divided across the FRR's various asset classes, forming three groups[1] :

- hedging assets, which are highly correlated with liabilities, and exhibit low levels of expected performance and low risk (Government bonds, including liabilities-matched OATs, liquid assets, and euro-denominated investment-grade corporate bonds);
- unhedged developed and emerging market equities, exhibiting high levels of expected performance and high risk;
- intermediate-risk assets (high-yield corporate bonds, emerging market bonds, and option-hedged developed market equities), exhibiting levels of expected performance and risk that fall between those of hedging assets and unhedged equities.

Optimal strategic allocations enable the FRR to achieve its objectives:

- ensure payments to the Cades: €1.45 billion from 2025 to 2033. As the investment horizon has been extended beyond 2033, the work on the strategic allocation secures any recurring payment liabilities that the FRR may have in the social sphere, to the tune of €500 million a year as of 2034. Meeting this objective is reflected by an extremely low likelihood, in the simulations, of insufficient funds;
- achieve significant performance, and in particular greater than the cost of French national debt. The significant proportion of unhedged equities and intermediate risk assets (overall these two categories account for around 80% of the FRR's portfolio) is consistent with this objective.

The construction of the strategic allocation is the fruit of over 15 years of research and development at all stages, from the production of macroeconomic forecasts to portfolio optimisation methods. This work has contributed to the gradual incorporation of new asset classes to improve the portfolio's resilience, and to the Supervisory Board's approval of the recommended allocations each year.

The FRR superimposes on its strategic allocation tactical positions determined by the Executive Board, based on macroeconomic and market information and analyses. These tactical positions seek to make the most of the FRR's positioning in the economic cycle over a timeline of 3 months to 1 years, and to manage portfolio risk, with the aim of, for example, protecting the gains accumulated during periods of high volatility.

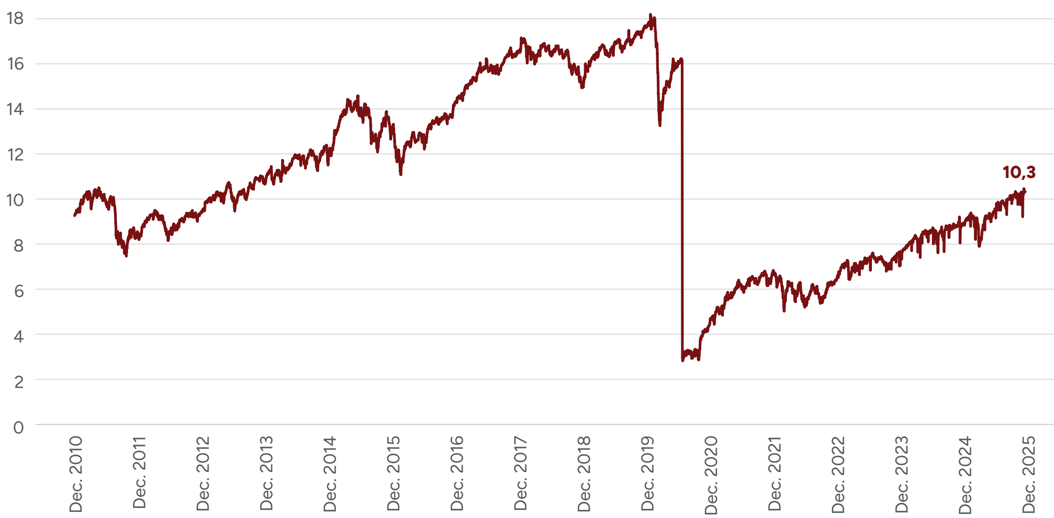
1 • The FRR's unlisted assets are hybrids between these three groups.

Changes in the liabilities coverage margin

In the process of optimising the strategic allocation, in addition to the long-term horizon, the FRR's ability to invest a large proportion of its portfolio in performance assets – which are more volatile in the short/medium term – is due to the level of its Liabilities Coverage Margin (LCM). This helps to absorb any significant, short-/medium-term fluctuations, without jeopardising the FRR's ability to meet its payment obligations, and thereby to conserve a significant proportion of the more remunerative assets over the long term.

In 2025, **the liabilities coverage margin (assets less discounted liabilities) increased by €1.5 billion, to stand at €10.3 billion at the end of the year**.

Changes in the liabilities coverage margin since 31/12/2010 (in billions of euros)



Changes in the portfolio in 2025

The FRR's structural management decisions in 2025, including strategic and tactical allocation changes, resulted in the following changes in the portfolio between the end of 2024 and the end of 2025. The table below shows the FRR's exposures to asset classes, including derivative positions.

Changes to the FRR's portfolio from 2024 to 2025

	END OF 2024	END OF 2025	CHANGE
European equities	14.0%	16.5%	2.5%
Non-European developed market equities	14.4%	14.6%	0.2%
Emerging market equities	5.1%	6.2%	1.1%
Unlisted assets, share of unhedged equities	7.9%	8.2%	0.3%
Unhedged equities	**41.4%**	**45.4%**	**4.1%**
Option-hedged developed market equities	5.5%	7.6%	2.0%
Euro-denominated high-yield corporate bonds	13.4%	12.9%	-0.5%
Dollar-denominated high-yield corporate bonds	9.5%	8.6%	-0.9%
Emerging market bonds	7.6%	7.0%	-0.6%
Unlisted assets, share of intermediate-risk assets	2.8%	2.0%	-0.8%
Intermediate-risk assets	**38.9%**	**38.0%**	**-0.8%**
Euro-denominated investment-grade corporate bonds	5.4%	5.5%	0.1%
Dollar-denominated investment-grade corporate bonds	4.5%	0.0%	-4.5%
10-year sovereign bonds	0.0%	2.4%	2.4%
Liability-matching	7.4%	7.4%	0.0%
Liquid assets	-0.6%	-1.9%	-1.3%
Unlisted assets, share of hedging assets	3.1%	3.2%	0.1%
Hedging assets	**19.8%**	**16.5%**	**-3.3%**

The strategic allocation adopted in June 2025 continues the trend of increasing the weight of equities linked to the extension of the horizon beyond 2033. Changes in the portfolio in 2025 are part of a trend initiated in 2024, with a gradual increase of 15 points in the weighting of unhedged equities over the last 2 years, from 33% at the end of December 2023 to 48% at the end of 2025 (and 45.4% in the portfolio). This increase increases the projected median net asset value in 2043, without a significant increase in long-term risk.

The changes in the portfolio mainly reflect those in the strategic allocation. The weight of unhedged equities increased by 4% in 2025, which was less than the increase in this compartment in the strategic allocation (+6.3% in 2025). This difference is due to the increase in option hedging that was decided at the end of the year to reflect stronger protection of the portfolio in view of the increasing level of uncertainty on the markets. The other major tactical decision was the purchase of €500 million in OAT futures in 2025, which was offset by a sale of liquid assets to convert private debt investments' floating rates into longer-term rates, which better reflect the durations of the Fund's liabilities.

Thanks to the extension of the horizon beyond 2033, the FRR also initiated a new strategy on unlisted assets in 2025, consisting in committing around €500 million per year across into private equity, private debt, infrastructure and real estate. As such, the amounts invested in unlisted assets will be maintained at between a target of €2.5 billion and €3 billion. As such, the FRR seeks to select managers that are capable of generating long-term financial returns and are committed to responsible investment themes. Supporting the economy and preserving national sovereignty remain important investment themes.

Implementation of the allocation

Implementation of the diversified allocation

The FRR then implements the allocation decisions by allocating the appropriate amounts to the various selected managers. The FRR's investments are made entirely through investment service providers, with the exception of day-to-day cash management. "Portfolio" investments consist of management mandates, awarded through calls for tender, or UCIs subject to a rigorous selection procedure. Service providers are selected by the Delegated Management and Responsible Investment Department, which is tasked with selecting managers for the purpose of implementing the adopted asset allocation, overseeing and reporting on the investments, defining and implementing ESG policy and, finally, managing the FRR's cash and cash equivalents.

Most of the vehicles used to implement the allocation are mainly mandates, which allow the FRR to specify its management objectives and constraints in fine detail, and then to implement, via the managers, a voting and engagement policy in line with most ambitious practices. The FRR's mandates include both index replication management mandates (in particular for Eurozone large- and mid-cap equities against smart beta indices that seek to outperform standard capitalisation-weighted indices in the medium/long term), and active management mandates, which seek persistent relative outperformance, for example on small-cap equities, Japanese equities, or corporate bonds.

This "core-satellite" approach implemented for management mandates aims to guarantee exposure to the main markets at the lowest possible cost, with selection risk being primarily concentrated on active strategies deemed best able to remunerate it. For the active management mandates, several managers are selected by geographical area to diversify the portfolio's overall risk. At the end of 2025, excluding derivatives and unlisted assets, active management mandates represented around 53% of equities (63.5% including UCIs) and 68% of all assets (74% including UCIs).

Several investments in unlisted assets also form part of the FRR's portfolio, including private equity mandates (8 mandates) and private debt mandates (4 mandates).

Unlisted assets are included in the portfolio as a substitute for listed assets. With unlisted assets, it is possible to earn a yield premium in the long term, compared to listed assets with comparable long-term risk. As a long-term investor, the FRR is able to integrate a proportion of illiquid assets and capture this yield premium. It calibrates the share of illiquid assets so as not to have to sell them to meet its liabilities, even in the event of an unfavourable market scenario.

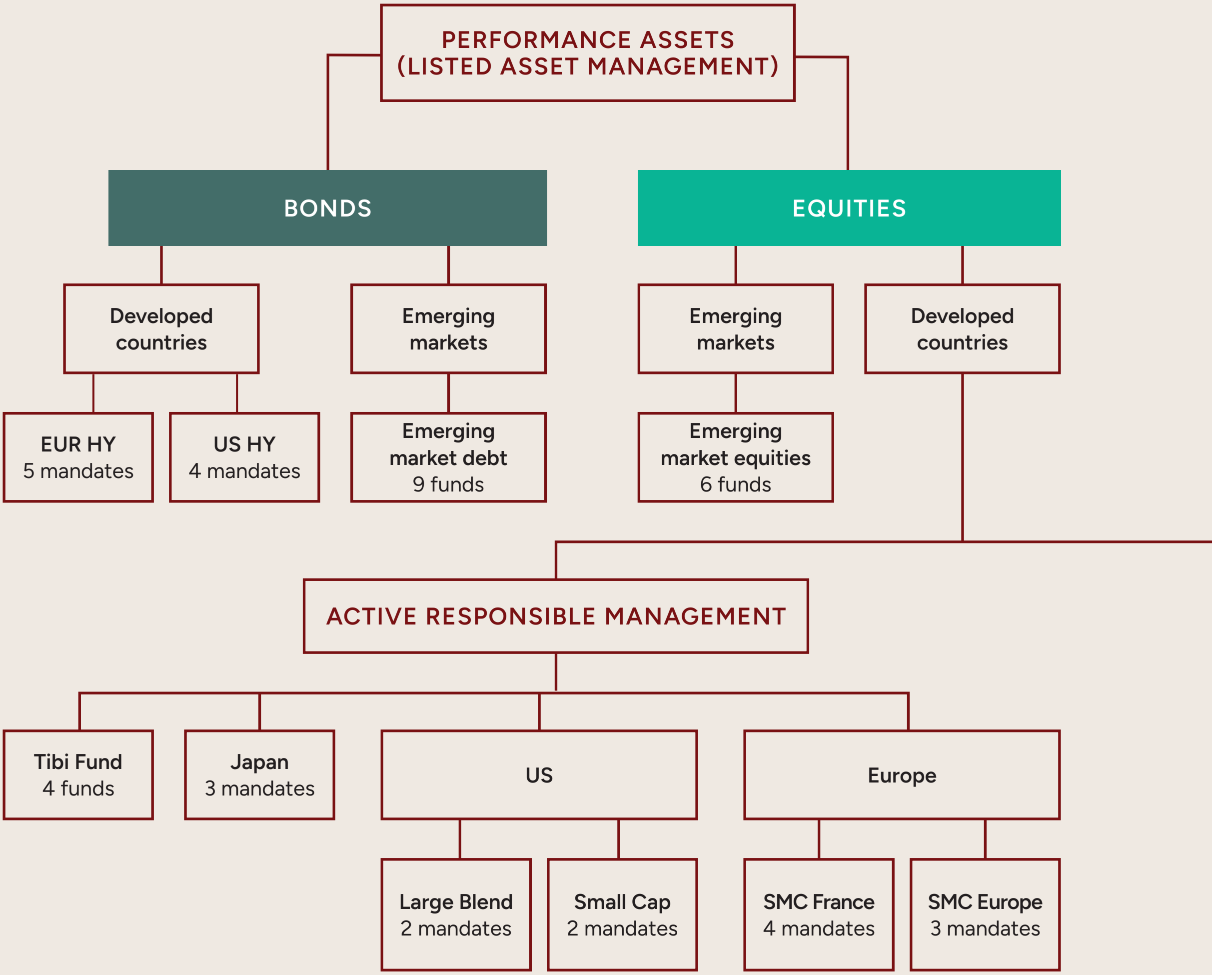
Investments in UCIs may be made up to a highly regulated maximum amount in the event of operational constraints or in order to gain flexibility. These include several asset classes: emerging market debt, emerging market equities, unlisted assets (a share of private equity and private debt, real estate, infrastructure), and money-market securities.

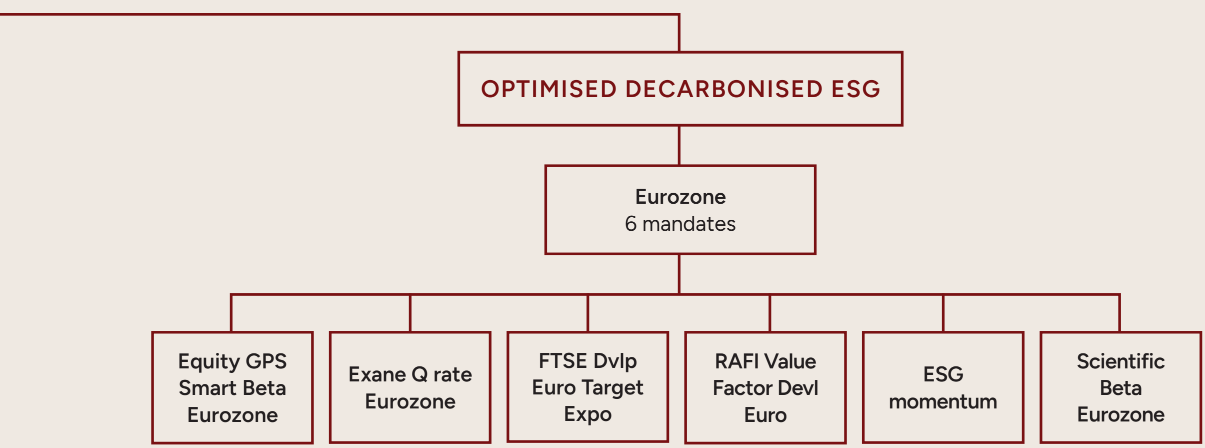
Two specific transversal or "Overlay" management mandates serve, first, to hedge the FRR's foreign exchange risk and, secondly, via investments in simple derivatives (stock or bond index futures traded on a regulated market), to adjust the allocation at lower cost and without intervening in the management of the securities portfolios or putting in place option hedging strategies on regulated markets. Finally, transitional managers are used to optimise the costs of buying and selling securities when changing managers, or at the time of contributions to or withdrawals from mandates.

For the purpose of selecting the offers that are best suited to FRR's needs, and arbitraging where necessary, analyses are regularly conducted on portfolios' performance drivers and risk indicators. The FRR also prepares rigorous internal financial and non-financial reports.

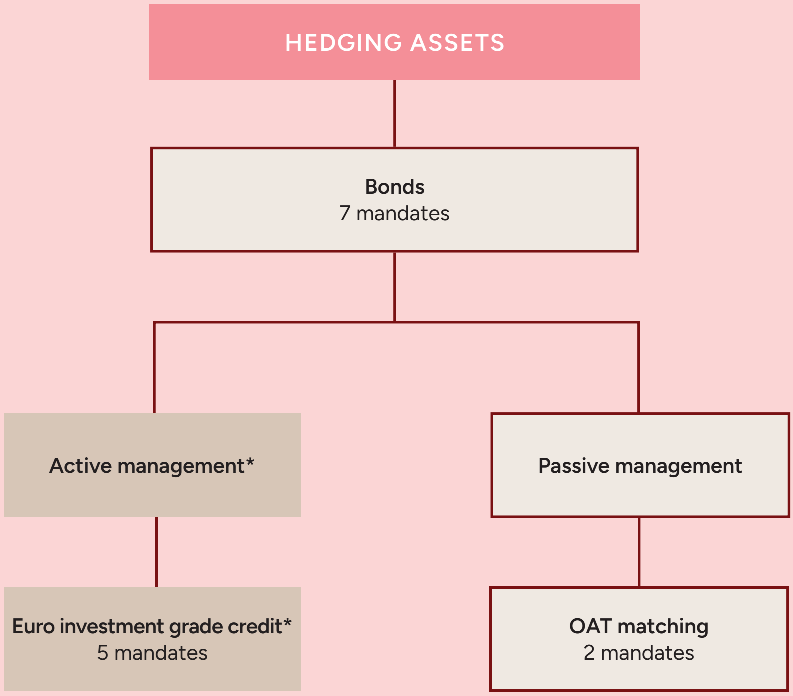
The analyses are then submitted for their opinion to the Manager Selection Committee, composed of independent experts from outside the FRR, and chaired by a member of the Executive Board.

Mapping of performance assets as at 31/12/2025 (physical investments)




OPTIMISED DECARBONISED ESG
Eurozone
6 mandates
Equity GPS Smart Beta Eurozone
Exane Q rate Eurozone
FTSE Dvlp Euro Target Expo
RAFI Value Factor Devl Euro
ESG momentum
Scientific Beta Eurozone

Map of Hedging Assets, Overlay, Transition Management and Treasury, as at 31/12/2025



* These investments are subject to decarbonisation targets

OVERLAY

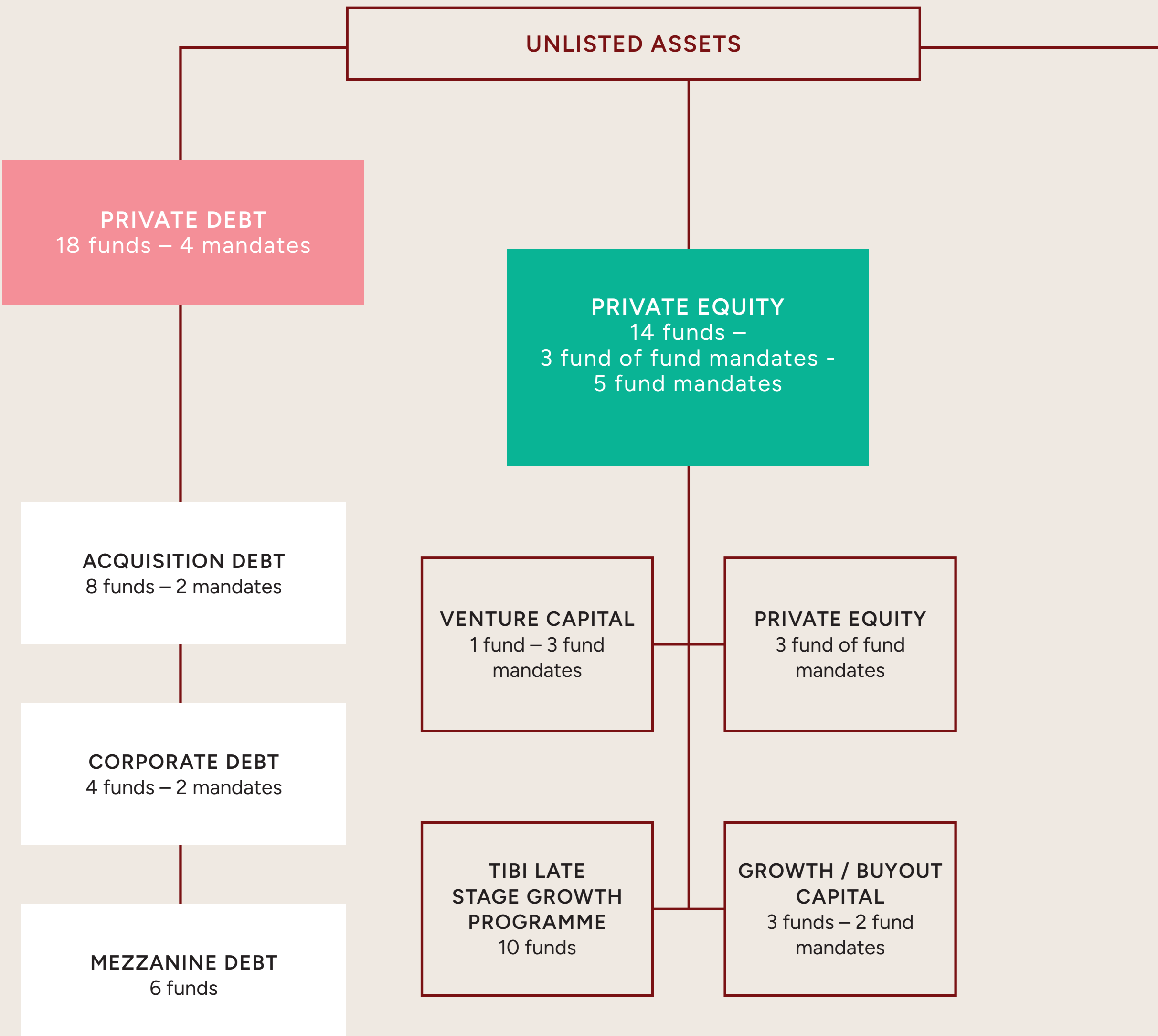
2 mandates

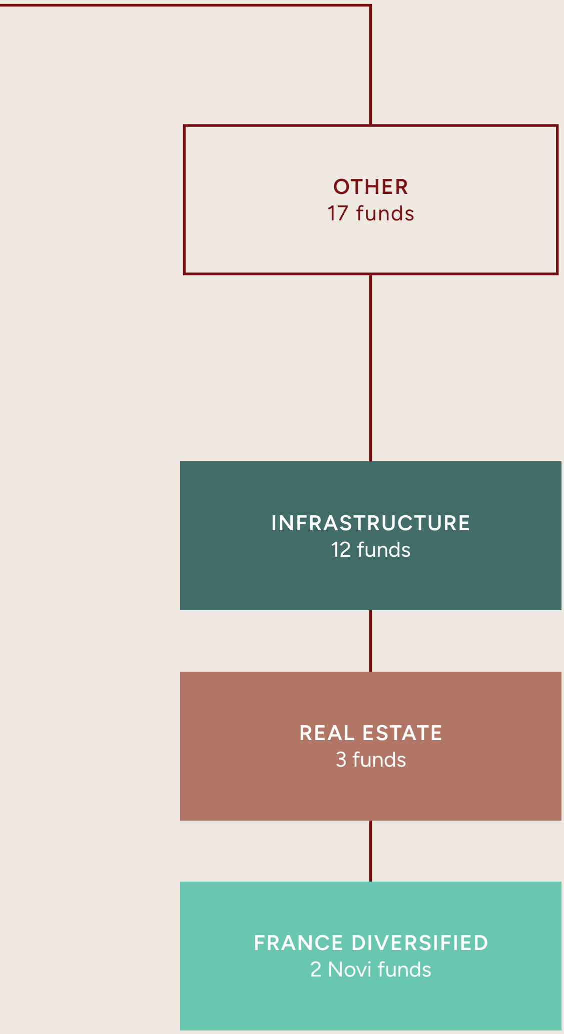
CASH

Collection account

TRANSITION MANAGEMENT

Map of unlisted assets, at 31/12/2025 (excluding private Equity 2007)




OTHER
17 funds
INFRASTRUCTURE
12 funds
REAL ESTATE
3 funds
FRANCE DIVERSIFIED
2 Novi funds

Rigorous selection of management companies based on financial and non-financial criteria

Financial aspect

Mandate managers are selected through a tender process enabling an in-depth analysis of the managers' strengths and weaknesses, thereby increasing the likelihood of future outperformance, avoiding operational incidents and minimising management costs.

The selection procedure consists of the following phases aimed at identifying the proposals that are best suited to the FRR's needs:

- **Defining the investment framework**
  This phase culminates in a launch memorandum that sets out the terms of the call for tenders in line with the investment framework defined by the strategic allocation.
- **Selection of applications**
  Applications are ranked based on an analysis of candidates' professional, technical and financial capabilities. Based on this ranking, some of the candidates are then invited to participate in the tender phase.
- **Selection of proposals**
  The proposals received are analysed and ranked, based predominantly on qualitative criteria.

During the tender phase, the financial assessment involves analysing the management teams and their structure, management and trading tools, management processes, research, past performance in several areas, and their replicability in the future. The applications are then submitted to the Manager Selection Committee (MSC) for its opinion. The final selection is ultimately approved by the Executive Board, after considering the MSC's opinion.

At the end of each call for tenders, the FRR corresponds with the **companies whose proposals were not selected** to apprise them of their proposals' strengths and weaknesses, in absolute terms or compared to other bidders, in light of the FRR's expectations, so they could take action should they consider it appropriate.

The selection of UCIs and benchmarks follows a rigorous competitive bidding process similar to that of the calls for tenders process, and enables the FRR to target the suppliers that are best suited to the FRR's needs for each asset class. The selection of UCIs is also subject to MSC's approval.

Integration of ESG aspects into the selection process

In the process of selecting managers through the call for tenders process, ESG criteria occupy a very **important** place, and are addressed in various ways:

By incorporating ESG in each stage of the selection process:

The three phases of analysis incorporate decisive ESG criteria:

- **Application phase:** assessment of candidates' professional and technical capabilities based on criteria measuring the management companies' coverage of ESG aspects and their involvement in these issues;
- **tender phase:** more in-depth analysis of the resources and processes deployed for incorporating ESG criteria in their financial management practices, focussing in particular on the decarbonisation of portfolios and actions undertaken to engage with companies, which are verified during site visits.

By assessing the ability to implement a responsible active management approach:

For all of its active management mandates, the FRR imposes a "responsible active management" approach. This approach requires managers to incorporate ESG aspects into their analysis and management process while at the same time applying FRR's exclusions policy (prohibited weapons, tobacco and coal), as well as its voting and engagement policies. The decarbonisation trajectory, social justice and respect for biodiversity are the main focus of this approach.

Managers must therefore be able to demonstrate, through the structuring of their analysis, the integration of their management teams and the implementation of appropriate processes, the following:

- **the incorporation of non-financial criteria** in the process of assessing investments (particularly through ESG ratings and the management of controversies);
- **consideration of CO_2eq emissions**, alignment of the portfolio with a 1.5°C trajectory, share of green and transition energies (gas and nuclear), and assessment of physical, transition and biodiversity risks;
- **constructive dialogue** with portfolio companies.

The managers should also be able to produce quantitative and qualitative reports detailing the actions implemented and the progress made in terms of ESG. More broadly, they should favour companies whose strategy aligns with the Paris Agreement and be able to provide the FRR, on a twice yearly basis (on 30 June and 31 December), with information on the portfolio's GHG emissions level (and the benchmark), for the purpose of tracking the decarbonisation trajectory.

As regards fund selection, consideration of ESG issues is equally important, and the questionnaires incorporate the same aspects covered in the call for tenders. In addition, the FRR focuses on funds that qualify as SFDR Article 8 or Article 9 funds, or those satisfying the same requirements. The idea is to promote ESG characteristics and/or sustainability goals in order support companies in adopting ambitious practices, regardless of the geographical area they are located in. Engagement practices are analysed and encouraged in the same way as they are for mandates.

FRR'S MANAGEMENT COMPANIES AS AT 31 DECEMBER 2025

The following companies were selected through calls for tenders:

2016FRR02

DEDICATED FUND MANDATES – FRENCH CORPORATE PRIVATE DEBT

LOT 1 – PRIVATE INVESTMENT

- BNP PARIBAS ASSET MANAGEMENT EUROPE
- ARKEA ASSET MANAGEMENT (formerly SCHELCHER PRINCE GESTION)

2016FRR02

DEDICATED FUND MANDATES – FRENCH CORPORATE PRIVATE DEBT

LOT 2 – ACQUISITION DEBT

- EURAZEO GLOBAL INVESTOR SAS (formerly IDINVEST PARTNERS)
- AMUNDI ASSET MANAGEMENT (formerly LYXOR INTERNATIONAL ASSET MANAGEMENT SAS)

2016FRR03

DEDICATED FUND MANDATES - SELECTION OF PRIVATE EQUITY FUNDS

- ARDIAN FRANCE
- SWEN CAPITAL PARTNERS
- LGT CAPITAL PARTNERS LIMITED

2016FRR05

DEDICATED FUND MANDATES – VENTURE CAPITAL FRANCE

- EURAZEO GLOBAL INVESTOR SAS (formerly IDINVEST PARTNERS)
- TRUFFLE CAPITAL SAS
- OMNES CAPITAL

2017FRR03

DEDICATED FUND MANDATES - GROWTH CAPITAL FRANCE

- LBO FRANCE
- ISATIS CAPITAL

2019FRR02

OVERLAY MANAGEMENT MANDATES

- BNP PARIBAS ASSET MANAGEMENT EUROPE (formerly AXA INVESTMENT MANAGERS PARIS)
- RUSSELL INVESTMENTS FRANCE

2020FRR01

RESPONSIBLE ACTIVE MANAGEMENT MANDATES: CORPORATE BONDS – LOT 1 – EURO DENOMINATED INVESTMENT-GRADE CORPORATE BONDS

- BNP PARIBAS ASSET MANAGEMENT EUROPE (formerly AXA INVESTMENT MANAGERS PARIS)
- CPR ASSET MANAGEMENT (formerly BFT INVESTMENT MANAGERS) / M&G INVESTMENTS
- CPR ASSET MANAGEMENT (formerly BFT INVESTMENT MANAGERS) / UNION INVESTMENT INSTITUTIONAL GmbH
- BLACKROCK NETHERLANDS B.V.
- DWS INTERNATIONAL GMBH

2020FRR01

RESPONSIBLE ACTIVE MANAGEMENT MANDATES: CORPORATE BONDS – LOT 2 – EURO DENOMINATED HIGH YIELD CORPORATE BONDS

- BLACKROCK NETHERLANDS B.V.
- CANDRIAM
- DEGROOF PETERCAM ASSET MANAGEMENT SA
- DWS INTERNATIONAL GMBH
- THREADNEEDLE MANAGEMENT LUXEMBOURG SA

2021FRR01

RESPONSIBLE MANAGEMENT MANDATES: EQUITY INDEX REPLICATION FOR MANAGEMENT CONSISTENT WITH THE PARIS AGREEMENT

- AMUNDI ASSET MANAGEMENT
- BNP PARIBAS ASSET MANAGEMENT EUROPE
- CANDRIAM

2021FRR03

TRANSITION OPERATIONS MANAGEMENT

- RUSSEL INVESTMENTS FRANCE
- BLACKROCK NETHERLANDS B.V.

2022FRR01

RESPONSIBLE ACTIVE MANAGEMENT MANDATES: DOLLAR DENOMINATED HIGH YIELD CORPORATE BONDS

- CPR ASSET MANAGEMENT (formerly BFT INVESTMENT MANAGERS, formerly PGIM FIXED INCOME)
- JPMORGAN ASSET MANAGEMENT (EUROPE) S.A.R.L.
- NOMURA ASSET MANAGEMENT (EUROPE) KVG MBH
- ALLIANCEBERNSTEIN (LUXEMBOURG) SARL

2022FRR03

RESPONSIBLE ACTIVE MANAGEMENT MANDATES: EUROPEAN SMALL AND MID-CAP EQUITIES

- ABERDEEN INVESTMENTS IRELAND LIMITED / Abrdn Investments Limited
- DNCA FINANCE
- FIL GESTION / FIL Investments International

2023FRR03

RESPONSIBLE ACTIVE MANAGEMENT MANDATES: FRENCH SMALL AND MID-CAP EQUITIES

- AMIRAL GESTION
- HSBC GLOBAL ASSET MANAGEMENT (FRANCE)
- INDEPENDANCE AM
- SYCOMORE ASSET MANAGEMENT

2023FRR04

RESPONSIBLE ACTIVE MANAGEMENT MANDATES: US EQUITIES

LOT 1: "US EQUITIES, RESPONSIBLE ACTIVE MANAGEMENT, LARGE AND MID CAP ("BLEND")"

- JPMORGAN ASSET MANAGEMENT (EUROPE) SARL / JPMorgan Investment Management Inc.
- CPR ASSET MANAGEMENT (formerly BFT INVESTMENT MANAGERS) / Parnassus Investments, LLC

LOT 2: "US EQUITIES, RESPONSIBLE ACTIVE MANAGEMENT, SMALL CAP"

- FUNDLOGIC SAS / Calvert Research and Management
- WILLIAM BLAIR BV / William Blair Investment Management, LLC Other providers

2024FRR01

RESPONSIBLE ACTIVE MANAGEMENT MANDATES: JAPANESE EQUITIES, ALL CAP, BLEND STYLE

- NOMURA ASSET MANAGEMENT EUROPE KVG mbH
- LOMBARD ODIER FUNDS (EUROPE) S.A.
- FIL GESTION

2024FRR02

OAT-MATCHED MANAGEMENT MANDATES

- OSTRUM ASSET MANAGEMENT
- BNP PARIBAS ASSET MANAGEMENT EUROPE (formerly AXA INVESTMENT MANAGERS PARIS)

2024FRR03

OVERLAY MANAGEMENT MANDATES

LOT 1: “PASSIVE MANAGEMENT OF FOREIGN EXCHANGE RISK”

- MERCER GLOBAL INVESTMENTS EUROPE LTD

LOT 2: “PASSIVE MANAGEMENT OF EXPOSURES”

- AMUNDI ASSET MANAGEMENT
- BNP PARIBAS ASSET MANAGEMENT EUROPE (formerly AXA INVESTMENT MANAGERS PARIS)

OTHER PROVIDERS

2020FRR02

STATUTORY AUDITORS

- MAZARS SA
- GRANT THORNTON SAS

2022FRR02

SELECTION OF LEGAL SERVICES PROVIDERS

- FIELDFISHER (FRANCE) LLP AND CABINET ÉMILIE MAZZEI
- MORGAN LEWIS & BOCKIUS UK LLP – Paris branch (formerly KRAMER LEVIN NAFTALIS & FRANKEL LLP)

2022FRR04

PRODUCTION OF FRR’S WRITTEN COMMUNICATION MATERIALS

- LUCIOLE

2023FRR01

MEASUREMENT AND ANALYSIS OF THE ENVIRONMENTAL AND CLIMATE FOOTPRINT OF THE FRR’S PORTFOLIO

- S&P GLOBAL MARKET INTELLIGENCE LLC

2023FRR05

MEASUREMENT AND ANALYSIS OF THE ESG FOOTPRINT OF THE FRR’S PORTFOLIO

- MORNINGSTAR FRANCE FUND INFORMATION

High level reporting requirements

Reporting is used to measure the level of achievement of targets and to assess possible remediation measures. Since 2020, the FRR has required high-quality ESG reports for the purpose of monitoring portfolios invested in different asset classes and different geographical zones. At the very least, these reports must include information on the following:

- the commitments made by the manager in terms of socially responsible investments, specifying (i) the types of Environmental, Social and Governance (ESG) issues that the management company focuses on in the investment universe; (ii) how it takes these non-financial aspects into account in its search for and its analysis of companies, and whether they are considered as having an impact on stock selection or portfolio construction; and (iii) how the commitments made under the management mandates are tracked, including in terms of resources and organisation (changes in teams, technical resources, etc.).
- investments in the clean technology sector, or those contributing to the energy transition; dialogue or engagement with issuers on non-financial aspects; participation in think tanks or international initiatives relating to ESG, carbon, energy transition, etc.;
- the ESG ratings of portfolio companies, with summary information on the ESG ratings assigned by extra-financial research analysts, or internally, for each security under the management mandates;
- standardised (quantitative) indicators used for the purpose of comparing mandates with each other;
- tracking compliance with the FRR s exclusion policy;
- the regular tracking of voting rights exercised by managers, in compliance with the "Voting Guidelines" published on the FRR's website.

Asset management requests-for-proposals in 2025

In 2025, several major requests for proposals for the management of the FRR's funds were launched and finalised.

Finalised

JANUARY 2025: The FRR completed a call for tenders worth €400 million, for **blend-style responsible active management of Japanese all-cap equities** listed on the "Russell Nomura Total Market" index. In addition, as part of the FRR's ESG policy, the contract should contribute towards the commitments made by reducing GHG emissions under the mandates by around 40% before 30 June 2029, compared to the GHG emission levels of a capitalisation weighted index observed on the start date of the mandate.

Following this procedure, the FRR retained the proposals presented by the following companies:

- LOMBARD ODIER AM – ALPHA JAPAN ASSET ADVISORS LTD;
- NOMURA AM;
- FIL GESTION.

APRIL 2025: The FRR finalised a call for tenders worth €1,400 million, for the **management of OAT-matched management mandates**, with the aim of providing a cash-flow-matching management service – by investing passively mostly in financial securities issued by the French State – reflecting a timeline of payments.

The FRR accepted the bids made by the following companies:

- AXA INVESTMENT MANAGERS PARIS;
- OSTRUM ASSET MANAGEMENT.

SEPTEMBER 2025: The selection of **overlay management** mandates was finalised.

For the first time, this call for tenders was split into two lots, which enable the FRR to select specialist managers for each lot:

- the first lot is for the management of foreign exchange risk for €400 million in assets under management and total notional amounts of over €4 billion;
- the second lot is mainly concerned with replicating the allocation (through total notional amounts of around €2 billion in futures) and managing options strategy (total notional amounts of over €1 billion) for €700 million in assets under management.

These various overlay management objectives resulted in the selection of the following companies:

Lot 1: passive management of exposure to foreign-exchange risks:

- MERCER GLOBAL INVESTMENTS EUROPE - MESIROW.

Lot 2: Passive management of exposures:

- BNP PARIBAS ASSET MANAGEMENT EUROPE (formerly AXA INVESTMENT MANAGERS PARIS);
- AMUNDI ASSET MANAGEMENT.

Launch of 3 calls for tender in 2025

JUNE 2025: A call for tender was launched for the responsible management of **funds of private equity funds**, implementing an indirect exposure of at least 80% to companies located in France and up to 20% in companies located in the European Economic Area, the United Kingdom or Switzerland.

Invested mainly in very small enterprises (VSEs), small and medium-sized enterprises (SMEs) and mid-tier companies (ETIs) through the underlying funds, the FRR-dedicated fund will be a lever for economic and social development.

The final selection for this contract, with a commitment amount of approximately €400 million over a 5-year investment period, was completed in April 2026.

SEPTEMBER 2025: The FRR has launched a call for tenders for a **dedicated unitranche private debt fund management mandate** worth approximately €600 million. The objective is to invest exclusively in medium- or long-term financing operations of mainly French SMEs and ETIs whose EBITDA is regularly between €3 million and €25 million. The FRR-dedicated fund FRR will invest in the form of private debt, with at least 80% in unitranche debt and no more than 20% in club deal debt. At least 80% of this financing should be directed at companies whose registered office is located in France, and no more than 20% at companies whose registered office is located in another Eurozone Member State, under certain conditions.

The aim of this call for tenders is to (i) support the development of the French economy by supporting the growth of local companies and job creation, and (ii) select management companies that incorporate ambitious and accurately measured ESG criteria.

DECEMBER 2025: The FRR launched a call for tenders to implement a **responsible equity index replication management mandate consistent with the Paris Agreement**, with an indicative target amount of €1,750 million. The objective sought by the FRR is to continue to align managed portfolios with a trajectory compatible with the Paris Agreement, which aims to limit global warming to below 2°C, by stepping up efforts to limit it to 1.5°C as much as possible.

The methodologies used by each manager to achieve this objective may change over the course of the mandate, but must incorporate at least:

- a gradual reduction in the carbon footprint and fossil reserves in absolute terms;
- a relative reduction in the carbon footprint and fossil reserves compared to the benchmark;
- overweighting of the green share;
- measurement of physical and transition risks;
- an ESG rating that is higher than that of the benchmark;
- The FRR s exclusion policy.

Risk assessment

Risk management governance

Every year since the 2010 pension reform, the Supervisory Board has adopted a strategic allocation based on a management model designed to secure the FRR's annual payments to the Cades. Every month, the FRR's Risks Committee reviews the performance of the portfolios and the FRR, as well as changes in key financial and operational risks. In addition, this committee reviews investments in new asset classes and defines the risk frameworks applicable in each case. It is chaired by a member of the Executive Board and run by the teams responsible for risk management. More generally, it is responsible for broadening the risk culture throughout the FRR. The summary of the Risk Committee's work is presented at each Executive Board meeting.

The Financial Performance and Risks Department (FPRD) is also invited to attend meetings of various specialist committees (Investment Strategy Committee, Manager Selection Committee, Responsible Investment Committee, etc.) and issues an opinion when needed. It also participates in various internal bodies (Tactical Investment Committee, Strategic Allocation Steering Committee…). Finally, it delivers opinions on the strategic allocation review, presented at the Supervisory Board meeting devoted to this matter.

Financial risks

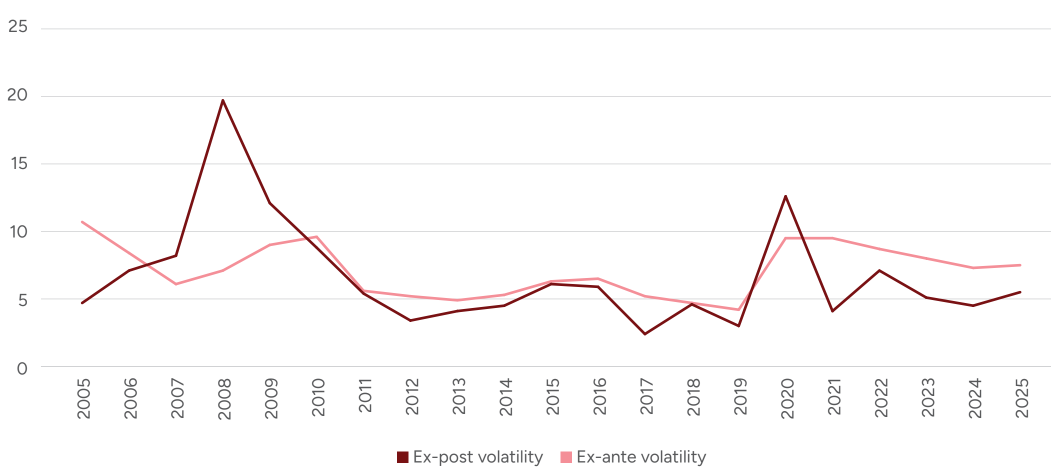
Market risks

Market risk associated with assets: The portfolio's ex-ante volatility was very marginally higher in 2025 than in 2024. On average, it stood at 7.5% in 2025, compared to 7.3% the previous year (7.1% on average since inception)

The risk of an adverse change to the value of the portfolio (loss) is assessed over a short-term timescale of one year, which is the same period for which the strategic allocation is updated.

Accordingly, in the worst 1% of cases, the estimated average potential loss over one year, as measured by "Conditional Value at Risk" (CVaR) at 99% confidence over one year, is 20.2% of the FRR's assets (compared to 18.8% at the end of 2024), or €4.18 billion.

Observed annual volatility (in %)



In the portfolio, performance assets represent the most significant CVaR risk factor. At the end of 2025, their contribution to the potential average loss attributable to price fluctuations in the worst 1% of cases was 18.0% of the FRR's assets (unchanged compared to 2024), i.e. €4.1 billion.

Within the performance assets compartment, the FRR analyses the exposure of the equities in the Strategic Allocation, the Tactical Portfolio, and the Portfolio to Barra risk factors on a monthly basis. In 2025, the portfolio had a slight Small Cap bias, as well as a slight Value bias compared to its long-term benchmark (Strategic Allocation).

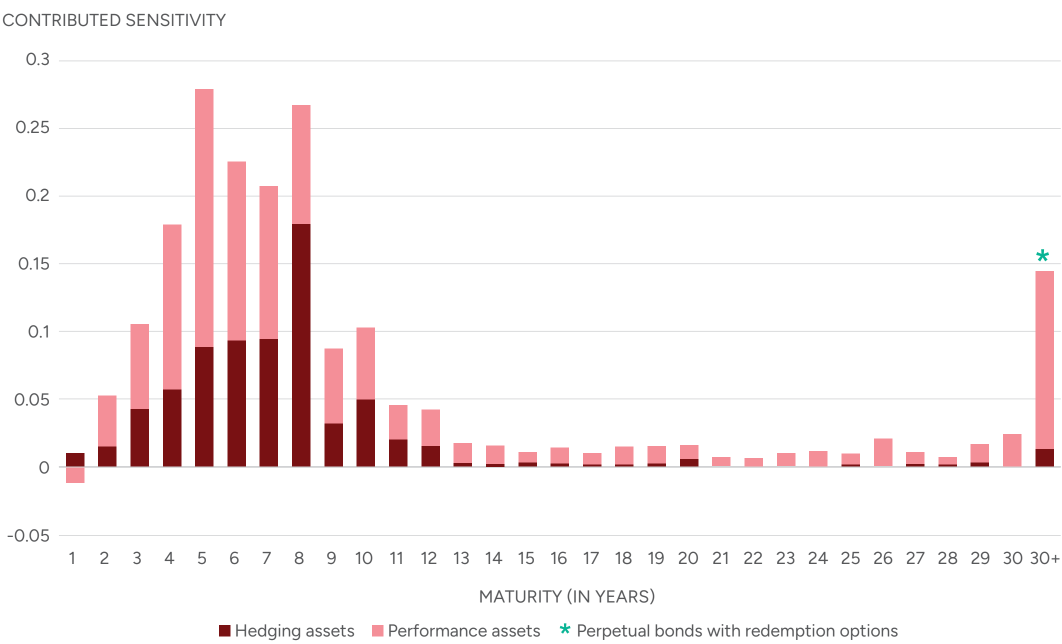
Asset/liability risk: This is the risk that the FRR's strategic allocation is not consistent with its commitments to the Cades. The FRR must pay the Cades €1.45 billion a year from 2026 to 2033.

Interest rate risk: At the end of the year, the contribution to the potential average loss attributable to interest rate curve fluctuations, measured by a CVaR at 99% over one year, was 0.6% on the FRR's hedging assets, or €0.1 billion on the market value of the FRR's portfolio (compared to 0.6% at the end of 2024).

The sensitivity of the FRR's portfolio's value to rate curve fluctuations increased slightly from 1.97[2] at the end of 2024 to 2.05 at the end of 2025. Therefore, henceforth, for a consistent increase across all rate curves of 100 basis points, the value of the FRR's portfolio would decrease by 2.05%, or around €0.4 billion.

Reciprocally, a 100 basis point increase in interest rates would result in a fall in the value of the FRR's balance sheet liabilities of 3.71% (sensitivity of 4.17 at the end of 2024).

Contributions to portfolio sensitivity by asset type and maturity



2 • Including interest rate assets in the performance compartment..

Currency risk: Part of the FRR's portfolio is invested in foreign currencies. The strategic allocation is fully hedged, except for performance assets, 90% of which are hedged – assets denominated in emerging market currencies are not hedged since the currency price is intrinsic to performance. Nevertheless, the FRR maintains a margin of flexibility over its hedging level, provided that its overall currency risk exposure remains below 20% of its total overall assets (regulatory limit). Exposure to foreign exchange risk at the end of 2025 was 16.9% (compared to 16.8% at the end of 2024).

Risks of tracking error between FRR or managers' performance and that of their benchmarks: The volatility of the spread between the performance of the strategic allocation and that of the actual portfolio allocation is measured by tracking error-type indicators (ex-ante TE). This is defined as the annualised standard deviation of the gap in performance between the actual portfolio and the benchmark target allocation. In 2025, managers generally complied with the ex-ante tracking error limits (2 one-off overruns in 2025, which have now been absorbed) set out in the management mandates. In renewing the equities mandates, the FRR ensures that the methodologies for calculating ex-ante tracking-error are harmonised, thereby enabling the manager to control effectively its risk budget, in line with the FRR. The FRR has developed new approaches for assessing selected managers' risk level and management style as accurately as possible, by including an in-depth analysis of the portfolios' ex-ante risk parameters and risk factor sensitivity levels in the selection process.

The FRR has authorised managers of investment grade credit mandates to partially diversify their portfolio by investing in lower-rated securities. This margin is managed through a spread-weighted duration (DTS) limit, defined in relation to their benchmark (duration is measured as the sensitivity of the value of all the securities in the portfolio to changes in credit spread, and the spread of these same securities is adjusted for early redemptions).

Since 2020, the studies carried out by the FRR have enabled us to harmonise as far as possible the ex-ante financial risk measurements used by the FRR and managers.

The desire to harmonise the managers' and the FRR's methodologies stems from the environment in recent years, in particular the increased volatility and spreads observed during the Covid crisis, as well as the integration of ESG factors in the management of mandates, not present in the benchmarks. The DTS measurement methodology, used to limit bond managers' credit risk, has been standardised across all of the FRR's bonds mandates. Taking extension risk into account[3] for securities with options – in particular quasi-equity – is now systematic for all of these mandates.

Regarding the FRR's benchmark, at the end of 2025, the ex-ante TE between the FRR's actual portfolio and that of the strategic allocation was 120 basis points (compared to 94 basis points the previous year). This gap can be explained, firstly, by selection effects – managers' active management, selection of indices other than those of the strategic allocation, etc. – and secondly, flexible management effects (tactical over- or under-exposures depending on the asset class, and foreign-exchange and interest-rate risk hedging adjustments).

Liquidity risk associated with the assets under management: this risk is managed mainly through internal limits and monitoring of the FRR's least liquid compartments (Small caps, credit).

3 • Risk of early redemption of the security by its issuer.

A UCI exposure limit was defined in the Order dated 24 May 2016, which set a maximum limit of 20% for holdings in UCIs (this limit was previously an internal limit). In September 2022, this limit was increased from 20% to 25%. An update to the Order in February 2026 changed this threshold to 15%, without including investments in unlisted assets (which are now subject to a dedicated 25% limit).

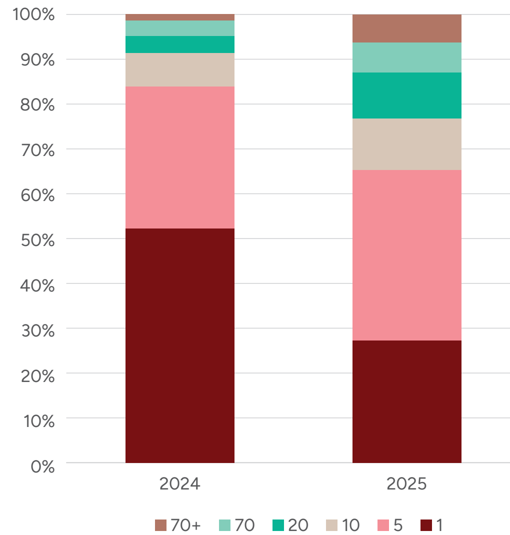
The FRR also manages a limit on holdings in companies' share capital: the FRR may not hold more than 3% of the shares of any single issuer (except for the unlisted assets portfolio: real estate, private equity and infrastructure). As regards UCIs, the holding limit is 20% of the UCI's liabilities.

To estimate the liquidity of the FRR's portfolio, various independent management measurements were taken at the end of December 2025:

- in French, European and US small- and mid-cap equities, 65% of the portfolio could be sold without any price impact in less than 5 days[4], compared to 84% at the end of 2024 (see graph opposite): this decrease in liquidity is mainly due to the change in managers for this asset class in 2025, as the selection process led the FRR to select managers with particular exposure to very small-cap companies;
- for the FRR's Credit portfolio (invested in the Euro IG Credit, Euro HY Credit, and OAT Matching compartments), the least "liquid" share of the portfolio comprises[5] securities whose discount rate would be greater than or equal to 0.5% in the event of a buy-and-sell transaction. This share was around 38% at the end of 2025 (with a discount rate of between 0.5% and 1% for the most part), compared to 34% at the end of 2024. One percent (1%) of the securities are considered to be illiquid, with a resale discount rate of more than 1.5%, as was the case in 2024 (see the chart on the next page).

Measurement of the liquidity of mandates invested in French, European and US small- and mid-cap equities

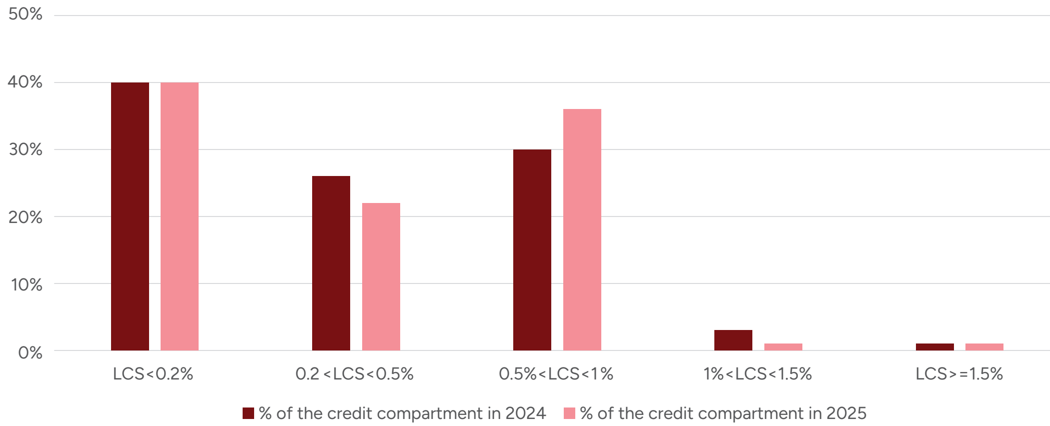
% of small- and mid-cap assets sellable in a given number of days, at 31/12/2025



4 • Assuming that 25% of the average volume of daily trading observed over the last 3 months can be liquidated in one day without affecting the price of the analysed securities.
5 • Definition based on the Liquidity Cost Score (LCS) method. LCS is an indicator that measures the cost of liquidation. It is calculated using the following formula: LCS = (Ask Price – Bid Price) / Bid Price of the security.

Estimate of the liquidity of the FRR's credit portfolio

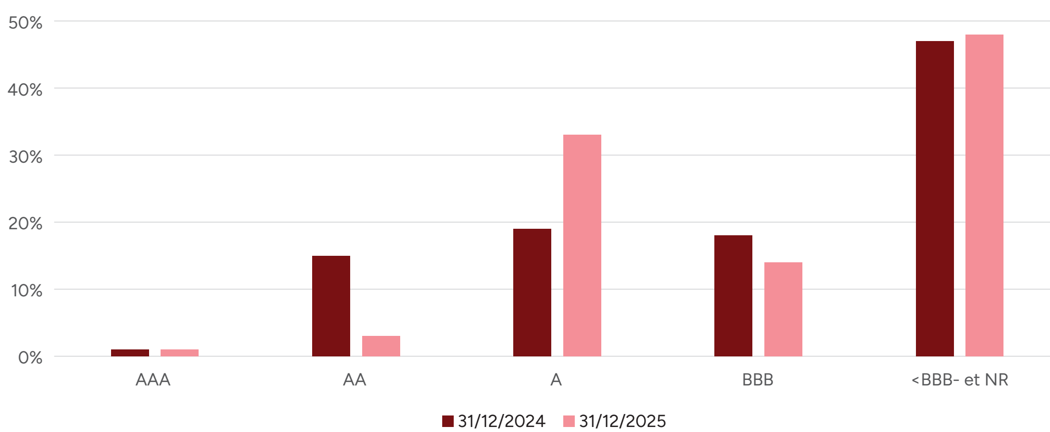
Exposure of the Credit portfolio by LCS level



Credit/Counterparty risk

Portfolio credit risk: The chart below shows the breakdown in the FRR's fixed income assets by rating at financial year-end 2024 and 2025. A small majority of these assets are invested in Investment Grade securities.

Breakdown of the fixed-income compartment by rating



The credit risk of the portfolio remained stable between year-end 2024 and year-end 2025. Three main asset-class categories were selected in implementing the 2025 strategic allocation: hedging assets, unhedged equities, and intermediate risk assets. The proportion of investment-grade corporate bonds – which belong to the hedging assets category – decreased compared to the 2024 strategic allocation. This resulted in an increase in the proportion of lower-rated securities in the bond portfolio. Thus, 52% of this portfolio was invested in Investment Grade securities, compared to 54% at year-end 2024.

In 2025, the average rating[6] of the FRR's fixed-income portfolio was BB- (BB- in 2024). The 1-year expected loss rate for this average rating was 0.72% (0.75% in 2024).

The FRR employs a system enabling it to monitor rating downgrades – independently of the FRR's asset managers – on a weekly basis for the Euro Credit and US Credit compartments. This tool enables the FRR to anticipate sharp downgrades in issuers' financial ratings, or in issues held under its mandates. Significant downgrades are reported by the financial risk management team at the monthly Risks Committee meetings. In 2025, 9 alerts were triggered by this system (compared to 7 alerts in 2024), mainly for the purpose of informing investment directors.

Furthermore, the potential loss associated with the correlated migration of issuer credit quality[7] is also measured for the FRR's Credit portfolio. At 31/12/2025, the credit portfolio's credit CVaR 99% over one year was 5.8% (as opposed to 5.7% in 2024). Performance assets contributed 84.2% to the credit CVaR, and hedging assets 15.8%.

Counterparty risk concerns the risk associated with managers trading forward financial instruments OTC with bank counterparties (swaps, forward exchange). This is greatly reduced by implementing various measures: minimum rating of authorised counterparties, margin calls, use for foreign exchange purposes of the clearing services of CLS Bank[8], limits per counterparty. At the end of 2025, the FRR's overall risk exposure to counterparty risk was €268 billion (compared to €117 billion at the end of 2024), derived from forex hedging.

Signature risk diversification ratios: The regulations applicable to the FRR provide for specific ratios relating to the diversification of the portfolio's signature risk on debt and equity issuers. In addition to these ratios, in 2011, the FRR set a maximum internal exposure limit, for a single signature (issuer or counterparty of OTC transactions), of 3.5% of the FRR's net assets, excluding sovereign issuers – for which specific limits have been set based on the issuer's rating – and UCIs, for which the limit is 5% of net assets. Since the Order dated 24 May 2016, the applicable regulatory issuer or counterparty concentration limits also take into account indirect positions held via Undertakings for Collective Investment (UCIs). With the support of an external provider, the FRR produces reports about the positions held in undertakings for collective investment on a monthly basis.

6 • This is an average of the portfolio assets by rating weighted by the one year cumulative default rates observed between 1983 and 2025 for this same rating.

7 • Credit CVaR takes into account historic probabilities of issuer rating migration by sector whereas market CVaR only considers changing credit spreads (assuming stable credit quality) to assess risk.

8 • Continuous Linked Settlement: clearing and settlement system that reduces counterparty risk.

Risk associated with financial contracts, particularly derivatives: the FRR may only invest in highly secure financial contracts. The regulatory framework is the French Monetary and Financial Code and the Autorité des Marchés Financiers's General Regulations, where French coordinated UCIs are concerned. The FRR therefore applies the risk monitoring principles applicable to transactions on forward financial instruments set forth in the AMF regulation of June 2018 on the methodology for calculating overall risk on UCIs. The method for calculating the commitment under a financial contract involves calculating the effective commitment under all financial contracts compared to the total net value of the fund. The commitment at the end of 2025 stood at 5.77% of the fund's assets, below the regulatory limit of 100%.

Extra-financial risks

Risk associated with climate change

In 2025, the Risks Department introduced non-financial risk monitoring reports, which are presented to the Risks Committee on a quarterly basis, and produced using an internal tool for tracking the ESG rating and controversies associated with all of the securities across all lots/mandates against their indices. As such, it possible to compare the level of non-financial risk taken by each manager, in absolute terms and against the management index, and to identify the securities held whose rating seems particularly low or controversial. This information could serve as the basis for initiating a discussion with the manager concerned.

This allowed us to verify that the non-financial risk of the FRR's mandates is overwhelmingly lower than that of the management indices, and that the managers are less exposed to securities with low ESG rating than the indices.

Compliance

Compliance risk is the risk of failure to comply with legislative, regulatory or contractual requirements and obligations. Monitoring the compliance of investments is a key aspect of the internal control system.

As such, the FRR:

- monitors, on a daily basis, compliance by managers of delegated management mandates with their contractual obligations, in particular the FRR's exclusions policy;
- also verifies, on a monthly basis, that investments made through UCIs and funds are in compliance with the internal rules;
- ensures compliance with regulatory ratios (diversification by issuer, exposure to markets outside the European Economic Area or non-organised markets, limits on shareholdings in portfolio companies, limits on positions in UCIs, exposure to currency risk, exposure to mutual funds, and various commitment ratios).

In addition, the FRR has an external provider audit its portfolio's extra-financial risks, in particular as regards controversies associated with the companies in the portfolio, including indirect holdings through UCIs. Where such controls reveal confirmed risks, the FRR may decide to dispose of its holding in the company or fund.

The analysis of potential incidents of failure to observe compliance rules, impact assessments, corrective measures and potential compensation claims are entered in an incident report and followed-up by the risks committee.

Regarding the fight against money laundering, the financing of terrorist activities and compliance with international sanctions, the FRR is resolutely committed to participating in international efforts. The FRR is implements a programme for ensuring compliance with anti-money laundering regulations, based on risk management. Money-laundering, terrorism financing, and international sanction compliance risks all form part of a programme of mandatory in-house training, policies, procedures, and an internal system for the control of and specific due diligence on the manager and investment selection process. The FRR ensures in particular that its investments comply with this policy.

The FRR prohibits in particular:

- any business and investment relationship involving a country, or a natural or legal person, that is subject to international financial sanctions (French, European, UN or international) targeting countries or types of goods or services in these countries, as well as natural and legal persons in application of the regulations;
- Financial Instruments issued by companies domiciled in a country on the French list of non-cooperative states and territories (NCCTs) and on the EU list of non-cooperative jurisdictions for tax purposes;
- Financial Instruments issued by companies domiciled in a country on the FATF's list of high-risk jurisdictions;
- unless an exemption is granted on a case-by-case basis, Financial Instruments issued by companies domiciled in a country identified as a High Risk Third Country by the European Commission and/or in a jurisdiction subject to enhanced supervision by the FATF;
- any business relationship involving a country, or a natural or legal person subject to international financial sanctions (French, European, UN or international) targeting countries or types of goods or services in these countries (so-called embargo measures) as well as natural and legal persons (so-called asset freezing measures) in application of the regulations.

The criterion linking a financial security to a country that applied until 2023 was the country of domicile. This criterion was strengthened in 2024 to take into account both the country of incorporation and the country of domicile.

Professional ethics

The FRR takes special care to ensure that its employees comply with a very strict ethical framework which involves a programme of specific mandatory training in the form of e-learning and group sessions.

The professional ethics framework applicable to the members of the Executive Board is contained in the Social Security Code, that applicable to Manager Selection Committee and Supervisory Board members is set forth in their respective codes of professional ethics. More generally, the FRR's code of professional ethics specifies in particular that in order to satisfy the principle that conflicts of interest must be avoided, the FRR bans all its employees from soliciting or accepting, whether in a personal or family capacity, any gift, favour, service, non-professional invitation or other gift. Similarly, participation in seminars, conferences or business trips is only permitted with the express prior consent of line management. Once a company has been selected for the second round of a request for proposals or is an applicant for an open request for proposals procedure, FRR employees are prohibited from accepting meetings or one-on-one lunches, with the exception of the management committees.

Given its status and missions, the FRR has a duty of exemplary conduct in matters of loyalty, professionalism and respect for the paramount interests of its beneficiaries. The FRR's Ethics Officer, who is responsible for managing the ethics system, defines the principles for prevention and action in matters concerning conflicts of interest. She develops and updates the conflicts-of-interest database and, working with the various departments, identifies and documents the types of conflicts of interest to which they are exposed in connection with their activities. She manages the employee training programme and, after having analysed the organisational and individual situations, approves the appropriate prevention and management systems to be implemented.

The ethical risks of conflicts of interest (investor protection, investment allocation, correct execution) are also subject to specific due diligence during the asset-manager and investment-fund selection processes.

Operational risks

These are the risks associated with failed or inadequate internal processes or external events, whether of a deliberate or accidental nature or natural cause.

The FRR's operational risk management system relies on regular risk self-assessment exercises, designed to establish an updated residual risks map, and also on following-up on the action plans undertaken subsequent to this mapping. The implementation of new processes (or redesign as necessary of key processes related to dematerialisation, cyber risk, business continuity or broadening the use of electronic approvals and signatures) also contributes towards upstream mitigation of operational risks. The system continued to be enhanced in 2025 to strengthen the operational security of business processes, by taking into account local or cross-line cyber risks and geopolitical risks.

In carrying out its mission, it is important that the FRR is able to carry out its main activities without interruption in the event of serious events (supplier failure, real estate claim, cyber disaster, social movement, pandemic, flooding of the Seine, etc.). The various prevention, crisis management and continuity management measures (crisis management organisation and procedures, recovery site, analysis of essential supplier continuity arrangements, technological resilience including cyber events) are regularly updated and monitored by the Risk Committee. Specific due diligence on delegated managers' business continuity processes is also carried out as part of the selection process. All of the FRR's staff are remote access-enabled and provided with equipped allowing them to work and communicate securely in hybrid mode. In addition to the ability to work remotely, the FRR ensures that its continuity system remains available, particularly on the occasion of an annual fallback test held at an external site, conducted by the FRR's teams in December 2025. Crisis management was based on an annual crisis cell exercise involving the Executive Committee and department heads, held in September 2025.

All significant operational incidents affecting the FRR, whether of internal or external origin, are identified and analysed on an ongoing basis. They are analysed and monitored by the Risk Committee (corrective measures, impacts, compensation, tracking of improvement plans). In this regard, the FRR also pays close attention to following-up on any operational incidents and regulatory penalties affecting its management companies as well as its essential suppliers.

2

WORKING TO MEET THE MAJOR PUBLIC CHALLENGES OF TOMORROW: RESPONSIBILITY IS CENTRAL TO THE FRR’S MANAGEMENT PRACTICES

THE FRR'S RESPONSIBLE INVESTMENT STRATEGY AND ITS HISTORY

The FRR's Responsible Investment Strategy

The inclusion of sustainability criteria in management decisions has been part of the FRR's remit since its creation in 2001. The Supervisory Board requires a strong commitment on the part of the FRR in the area of responsible investment. As a public investor and a vector of inter-generational solidarity, the FRR has a duty to set an example by factoring in Environmental, Social and Governance (ESG) considerations in its management processes. This enables the FRR to control its reputational risk and financial risks, and even to take advantage of investment opportunities.

This requirement is embodied in the FRR's responsible investor strategy, a strategy which is reviewed every 5 years, and which is characterised by lofty ambitions in terms of responsibility, coupled with a desire to advance its own development, support players operating in its ecosystem, and influence companies in which it invests through effective engagement initiatives.

The strategy, which encompasses general principles, concrete objectives, processes and resources, is formulated by the Supervisory Board after having sought the opinion of the Responsible Investment Committee, whose role is to ensure that the guidelines defined by the Board are implemented with a view to preventing and controlling the non-financial risks associated with the FRR's portfolios.

The 2024-2028 strategy targets the following three priority areas:

- Facilitate the energy and ecological transition;
- Promote social equity;
- Preserve biodiversity.

It relies on three main levers:

- the general direction of investments;
- action on the asset management ecosystem (managers, index providers, non-financial rating agencies, etc.);
- the impact on companies.

Initiatives and working groups to which the FRR is committed

Collaborative initiatives

One of the main ways for delegated-management institutional investor to promote sustainable development is to exert their power of influence over the issuers they help finance but also vis-à-vis their ecosystem. From this standpoint, the FRR has been involved since its inception in numerous engagement initiatives, both internationally and nationally. Indeed, it is the founder of several of them, including some of the most pivotal, such as the Principles for Responsible Investment (PRI) and the Net Zero Asset Owner (NZAOA).

Moreover, the FRR has chosen to support dialogue with companies through collaborative initiatives, in cooperation with its mandate and fund managers and also, when necessary and possible, directly with the companies themselves.

GLOBAL INITIATIVES	INITIATIVES ADDRESSING DECARBONATION ISSUES	CORPORATE ENGAGEMENT INITIATIVES
Signatory of: PRI Principles for Responsible Investment	CDP	Climate Action 100+
	IIGCC	Nature Action 100
	Net-Zero Asset Owner Alliance	
	UN environment programme finance initiative	spring
		FIR Forum pour l'Investissement Responsable

Research

The FRR also contributes to academic research in responsible investment, through its sponsorship of the annual FIR (Forum for Responsible Investment) award, which is organised in collaboration with the Principles for Responsible Investment (PRI), and through funding of academic research on sustainable finance and responsible investment at the Toulouse School of Economics and the École Polytechnique since 2007.

IMPLEMENTING THE RESPONSIBLE INVESTMENT STRATEGY IN THE FRR'S PORTFOLIO

Exclusions policy

Exclusion of the most pollutive companies

In addition to dialogue with companies and the financing of activities that promote the energy transition, the FRR decided to tighten its exclusion policy in 2025, by excluding from its portfolio financial instruments issued by companies whose operations involving the extraction of thermal-coal, or the production of electricity, heat or steam from coal or any infrastructure, exceed 1% of their turnover.

The FRR also undertakes to exclude any financing or investment in new capacities related to energy production, renovation of coal-fired power plants or any other infrastructure dedicated to thermal coal.

The FRR forecasts a total exit from thermal coal. From 1 January 2030, companies whose registered offices are located in an OECD country will be excluded from the first euro of turnover in these activities, and from 1 January 2040, the same will apply for non-OECD companies, in accordance with the global warming limitation trajectories specified in the Paris Agreement.

The FRR has also decided to exclude all financial instruments issued by companies generating more than 10% of their turnover from unconventional fossil fuels, as well as any new unconventional fossil energy projects. Unconventional fossil fuels include the following practices: oil sands extraction, hydraulic fracturing and shale gas; Arctic drilling and ultra-deepwater drilling.

These exclusions do not apply to green bonds if the relevant companies have a decarbonisation plan aligned with a credible Net Zero 2050 scenario validated by the SBTi (Science based targets initiative), or equivalent, or if the company plans to sell off or, preferably, close down the relevant operations by 2030, allowing it to fall below the indicated turnover threshold.

For private equity and infrastructure, no new investments will be made in new oil or gas fields. Investments in distribution and storage will be limited to existing operations, or those that contribute to the 1.5°C alignment (e.g. through the implementation of carbon capture and storage technologies).

The FRR reserves the right to make additional exclusions in all its investment strategies.

Exclusion of the tobacco sector

For reasons of public health, and in keeping with its responsible investor policy and the agreements signed by France, the FRR excludes from its investment portfolio all financial instruments issued by tobacco-producing companies.

Exclusion of companies that violate international standards (see compliance section)

In accordance with its policy on monitoring the compliance of its investments, the FRR has established exclusion criteria for:

- companies whose operations do not comply with certain international conventions ratified by France, or
- companies whose registered office is located in a country on the French and European lists of non-cooperative states and territories for tax purposes.

From time to time, other companies due to very severe controversies.

These controversial practices and operations were the subject of an annual review conducted by Morningstar at the end of 2025.

The FRR updates its exclusion list every year. The exclusion list is validated by the Supervisory Board's Responsible Investment Committee, based on a methodology whose purpose is to identify companies involved in the development, production, maintenance, use, distribution, stockpiling, transport or trade of cluster munitions (prohibited by the Oslo Convention in 2008; signed by 108 countries), anti-personnel mines (prohibited by the Ottawa Convention in 1997; signed by 164 countries), chemical weapons (Chemical Weapons Convention in 1992) and biological weapons (Biological Weapons Convention in 1972), or their key components.

In 2025, 17 companies in the FRR investment universe were included in the exclusion list:

PRODUCER / DEVELOPER	COUNTRY
Aerospace Long-March International Trade Co., Ltd.	China
Anhui GreatWall Military Industry Co., Ltd.	China
China North Industries Corp.	China
China North Industries Group Corp. Ltd.	China
Compania Nationala ROMARM SA	Romania
Defence Research & Development Organisation	India
Electromechanical Ordtech Ltd.	Greece
Global Industrial & Defence Solutions	Pakistan
LIG Nex1 Co., Ltd.	South Korea
Makine ve Kimya Endüstrisi AS	Turkey
Nityanand Udyog Pvt Ltd.	India
Poongsan Corp.	South Korea
POONGSAN HOLDINGS Corp.	South Korea
SNT DYNAMICS Co., Ltd.	South Korea
SNT Holdings Co., Ltd.	South Korea
The Day & Zimmermann Group, Inc.	United States of America
Yugoimport-SDPR	Serbia

Portfolio's carbon footprint

Responding to the climate emergency is one of the FRR's priorities. The energy transition is a major challenge for the 21st century and, as such, is one of the FRR's priority commitments. Indeed, membership of the Net Zero Asset Owner Alliance supports the FRR in its path to alignment with the Paris Agreement, employing three levers:

- adopting ambitious greenhouse gas emission reduction targets for portfolios (scope 1, scope 2 and scope 3 upstream emissions from direct suppliers under the GHG protocol);
- contributing towards the financing of the energy transition, by continuing to make a long-term contribution to the creation of a net-zero economy through "transition financing";
- conducting shareholder engagement initiatives to encourage companies to adopt strategies to achieve alignment with the Paris Agreement, via its managers but also through collaborative initiatives such as Climate Action 100+;

Absolute emission reduction targets

As a member of the Net Zero Asset Owner Alliance (NZAOA), the FRR has adopted targets to reduce greenhouse gas emissions from its portfolios (in absolute terms), to achieve a trajectory to limit global warming to 1.5°C.

The NZAOA's decarbonisation targets were 20% by 2024, however the FRR is aiming for a 40% reduction between 2019 and 2025, and a 60% reduction by the end of 2029 – the reference year being 2019. This is the continuation of a long-standing approach, which had already achieved a 40% reduction in emissions between 2013 and 2019 for the global equities portfolio. The emissions taken into account are direct emissions and emissions from direct suppliers (scope 1, scope 2 and scope 3 upstream emissions from direct suppliers under the GHG protocol). As part of the Net Zero Asset Owners Alliance, these targets will be reviewed in five year periods.

To achieve these targets, each new corporate-equity or -bond management mandate is assigned different objectives depending on the geographical area and asset class. This differentiation enables the progress already made and the room for manoeuvre of the underlying companies to be taken into account.

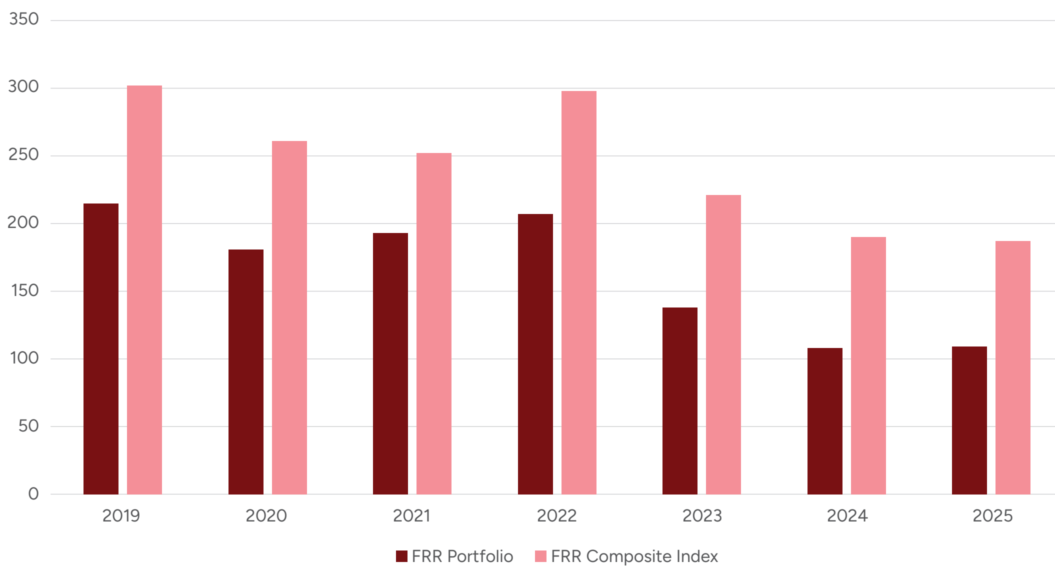
The FRR then has its portfolio's environmental footprint calculated by a service provider – selected through a call for tenders – tasked with measuring and analysing the environmental and climate footprint of the FRR's portfolio. In 2023, S&P Global Market Intelligence LLC was retained for a period of four years, with the option of renewal for one year. Carbon emissions are estimated by weighted average carbon intensity (or WACI) and expressed in tonnes of CO_2 equivalent per million euros in turnover.

Carbon footprint of the equities portfolio

At the end of 2025, the weighted average carbon intensity (WACI method) of the companies within the FRR's global Equities portfolio totalled 109 tonnes equivalent CO_2 per million euros in turnover. This was 42% below the FRR's benchmark index. From 2019 to 2025, the carbon footprint of the FRR's equities portfolio fell by 50% (around 10% per year) whereas the FRR portfolio's representative benchmark fell by only 38%.

Change in the carbon footprint of the global equities portfolio in tonnes of CO_2 equivalent per million euros in turnover (scope 1, scope 2, scope 3 direct suppliers)

SOURCE: S&P GLOBAL MARKET INTELLIGENCE LLC

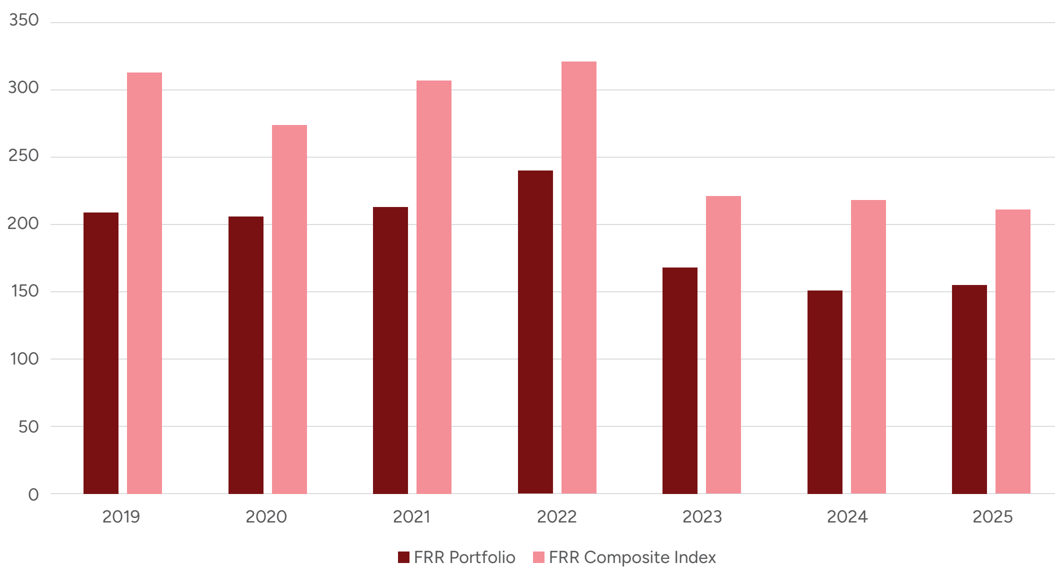


Carbon footprint of the corporate bonds portfolio

At the end of 2025, the carbon footprint of the FRR's corporate bonds portfolio equalled 155 tonnes of CO_2 equivalent per million euros in turnover. It is 27% below that of the benchmark. From 2019 to 2025, the portfolio's carbon footprint fell by 26%, whereas the benchmark's fell by 33%. This slight difference can be explained by the "allocation effect" due to an increase in the weight of high-yield bonds (whose activities are more intensive in terms of carbon emissions). Note that the difference decreased in 2025, since it stood at 9 points at year-end 2023. This reflects the increased decarbonisation commitments made by the FRR.

Change in the carbon footprint of the corporate bonds portfolio in tonnes of CO_2 equivalent per million euros in turnover (scope 1, scope 2, scope 3 direct suppliers)

SOURCE: S&P GLOBAL MARKET INTELLIGENCE LLC



Green bonds finance projects with a positive environmental impact, such as renewable energy or green transport. As such, they may be considered as producing no net CO_2 emissions. However, it is important to note that projects financed by green bonds are not always CO_2 emissions-free. For example, a renewable energy project may generate CO_2 emissions during its construction phase. Moreover, an issuer of green bonds may have other operations that generate CO_2 emissions.

At this stage, the FRR assigns the issuer's footprint to green bonds, which is in line with the provider's methodology. This is a conservative approach. Nevertheless, the FRR requires its managers to gain more exposure to green bonds than their representative share in the benchmarks (31 % in the corporate bonds portfolio, which is slightly more than the benchmark's 30%). These exposures therefore appear in the portfolio footprints declared by the FRR, which are, as a matter of fact, increased.

Carbon footprint of the sovereign bonds portfolio

The portfolio carbon footprint analysis methodology for a portfolio of sovereign assets is based on the total greenhouse gas emissions by country, reflecting the specific role of the public sector as a provider of key services for the economy and as legislator having an influence on carbon footprint. The scope covers:

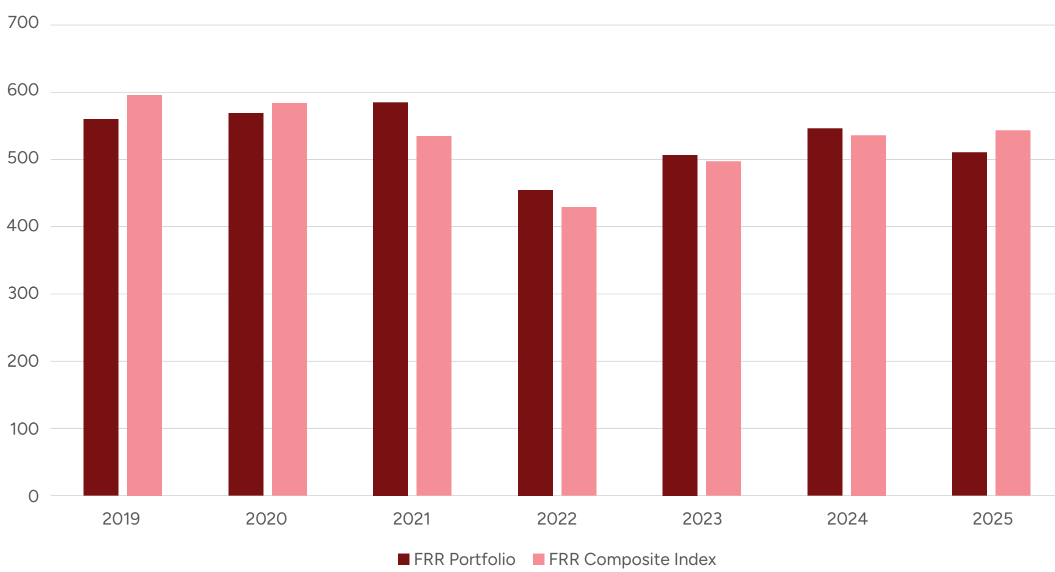
- domestic emissions: emissions generated by goods and services produced and consumed in a given territory;
- direct imports: emissions generated by goods and services directly imported by a country;
- direct exports: emissions generated by goods and services produced in a country and exported to a foreign economy.

The graph below shows the weighted average carbon intensities of the sovereign bonds portfolio and its benchmark: this indicator quantifies the average intensity of the portfolio by reference to the weighting of each country within it. It measures the allocation of the portfolio to more or less carbon-intensive economies.

The difference in the carbon intensity of the portfolio compared to that of the benchmark is small and is explained each year by the composition of the emerging market debt funds and by the weights of this asset class and of OATs compared to those in the strategic allocation.

Change in the carbon footprint of the sovereign bonds portfolio in tonnes of CO_2 equivalent per million euros in GDP (scope 1, scope 2, scope 3 direct suppliers)

Source: S&P GLOBAL MARKET INTELLIGENCE LLC



Impact investments

Contribution to Sustainable Development Goals

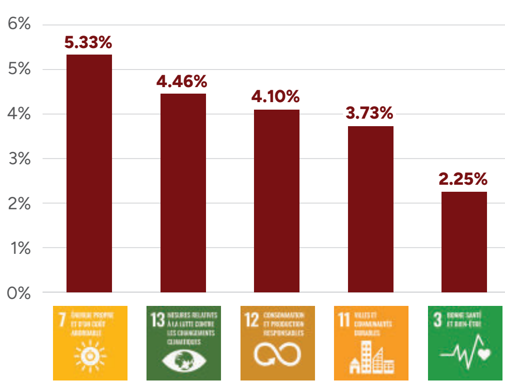
The Sustainable Development Goals are an action plan adopted by all United Nations member countries in 2015. They form a call to action to eradicate poverty, protect the planet and guarantee prosperity for all by 2030.

These 17 goals address the global challenges we face, including poverty, inequality, climate, environmental degradation, prosperity, peace and justice.

Among the companies in the global equities portfolio, the top 5 sustainability themes are:
- affordable and clean energy (SDG 7);
- climate action (SDG 13);
- responsible consumption and production (SDG 12);
- sustainable cities and communities (SDG 11);
- good health and well-being (SDG 3).

SDGs to which the revenues from the companies in the Global Equities portfolio contribute the most (% weighted revenue)

SOURCE: MORNINGSTAR FRANCE FUND INFORMATION

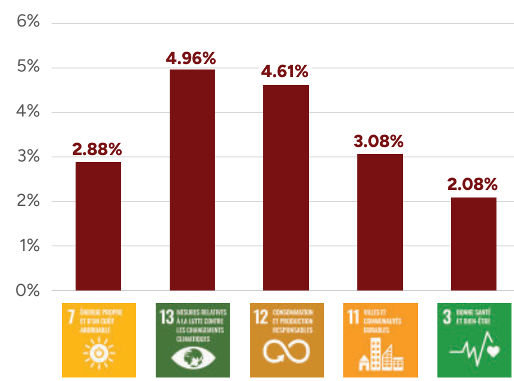


Compared with year-end 2024, there was a slight increase in portfolio companies' contributions to the SDGs, and mainly SDG 7 (+0.4% point compared to 2024), SDG 11 (+0.3 points) and SDG 13 (+0.8 points). The portfolio confirmed its transition trajectory with increased exposure to the climate, renewable-energy and circular-economy SDGs, while remaining balanced on urban and infrastructure.

The top 5 SDGs in the corporate bonds portfolio are identical to those in the global equities portfolio, albeit in a different order and with lower contributions in general:

SDGs to which the revenues from the companies in the corporate bonds portfolio contribute the most (%)

SOURCE: MORNINGSTAR FRANCE FUND INFORMATION



In the Corporate Bonds portfolio, contributions to the top 5 SDGs were even higher than in the equities portfolio, with levels of contribution to the SDGs all improving compared to 2024. Contribution to SDGs 7, 13, 12, 11 and 3 were up 0.8, 1.7, 1.6, 1.2 and 1.6 points, respectively.

Equities mandates

In addition to ESG scores, contribution to the SDGs and decarbonisation targets, equity mandates are assigned other objectives and must be carried over to other aspects related to the energy and ecological transition, such as the share of the portfolio aligned with the European Union's green taxonomy. The green taxonomy is used to define and measure the "green" share of a company's activities.

For example, analyses carried out by the service provider, S&P Sustainable 1, reveal that 43% of the revenues from the FRR's equity portfolio – in line with the index's 42% – are eligible for the Taxonomy's first two objectives (1. Climate change mitigation - 2. Adaptation to climate change). Moreover, the portfolio has an energy mix composed of 61% renewable energies (against 48% for the index).

The management companies for each mandate are chosen, among other things, for their ability to improve these metrics compared to the benchmark.

Bonds mandates

The bonds mandates also incorporate an approach promoting the energy and ecological transition. The FRR has asked management companies to factor in these themes when analysing securities and building portfolios. It measures the growing share of green bonds in its investment portfolios, whether in portfolios of issues issued in euros or dollars, or in investment grade or high yield assets.

Green bonds are specifically used to finance projects with environmental benefits, such as renewable energy, energy efficiency, water conservation and climate change adaptation.

In the FRR's portfolio, green bonds and sustainable bonds account for €525 million in assets under management. According to S&P Global Sustainable1's analysis, these green bonds were used to finance more than 3,932 GWh of renewable energy, 13,047 m2 of green buildings, and nearly 5,804,660 km of passenger distance covered through green transport. Annualised avoided emissions through the financing of these green bonds represent 92,240 tCO_2e (FRR share).

Sovereign green bonds represent €67 million in assets, with 93% of issues coming from Europe, but avoided emissions are difficult to calculate on this part of the portfolio due to a lack of disclosure on the part of sovereign issuers.

Unlisted assets

Real estate

Certain investments made by the FRR have an inherently positive investment profile in terms of impact.

The investment in the *Fonds de Logement Intermédiaire* (FLI, Intermediate Housing Fund) had a positive social impact in that it enabled more than 15,000 people to be housed (on a means-tested basis) with a rent saving of almost 14.6%, or €1,603 per beneficiary household.

Similarly, in 2025, the FRR invested in FLI 3 – an Article 9 fund – which is in keeping with the impact investment approach. Again, FLI 3 targets investments in intermediate housing, but also investments in managed residences for students and young workers, in order to take into account societal developments and to offer a range of suitable accommodation in areas under pressure.

In addition, the investment in the Brownfields fund, whose aim is to depollute and convert urban and industrial wastelands, enables the rehabilitation of polluted sites and thereby prevents urban sprawl and land take.

Brownfields' ecological footprint is clearly positive:

- elimination of pollution sources that are likely to contaminate various environments (soil, groundwater and ambient air);
- conversion of brownfield sites into urban areas helps not only to reduce urban sprawl but also to reduce travel-related CO_2 emissions.

Through these conversions, the Brownfields 3 Fund has financed:

- the creation of 9,500 family housing units, 40% of which are social- or affordable-housing units;
- 15 serviced residences totalling 2,000 Accommodation Units;
- 5 business parks with 331,000 m² in total floor space;
- 2 office buildings with 10,000 m² in total floor space;
- 1 hypermarket;
- 1 4* hotel with 101 rooms.

The Colombes operation: an example of an operation to renovate a site with an ageing shopping centre that illustrates this

In the heart of the Victor Basch district in Colombes, the project is shaping the new face of the rapidly changing district. The area is very well served by public transport, and features many local businesses, and the project is designed to meet the need for housing in a dense area, thus reducing the carbon emissions associated with car travel, while at the same renaturing impermeable spaces. The challenges of the project are threefold:

- renovate the Quatre Chemins shopping centre without interrupting commercial operations, in three stages: 1) build a lot 2 to accommodate the temporary transfer of the Leclerc operations; 2) demolish the Leclerc hypermarket and rebuild a mixed real-estate complex with businesses on the ground floor+housing+residence; 3) reinstall the Leclerc operations on the initial site, with lot 2 hosting other activities;
- transform the district through the development of a high-quality real estate complex in the vicinity of the Charles de Gaulle business park;
- re-green fully sealed plots.

Renovation-operation worksite in Colombes

Ultimately, lot 2 will be used to build 109 collective housing units – with generous outdoor areas for each dwelling (10 m² on average per dwelling), thereby meeting NF HABITAT HQE/ RT2012 -10% standards – and to create an 800 m² green space with a foundation slab, with the greening of all inaccessible roofs and the installation of planters on the terraces and balconies of the housing units. In addition, the new Leclerc block will include the E. Leclerc hypermarket (with a pharmacy, restaurant and a shop), 107 rooms in a student residential block, 213 collective housing units, 647 parking spaces, and a 3,000 m² landscaped area in the centre of the block. This Leclerc centre construction project seeks to combat land take. By building 320 housing units and 13,443 m² of retail floor space, the operation can be completed without consuming 77,443 m². In addition, 96% of the materials were recycled en masse, and 315 tonnes of polluted soil were removed.

Infrastructure

In view of the significant financing requirements for the ecological and energy transition, and of the FRR's desire to contribute to France's (and more generally Europe's) energy sovereignty, the vast majority of the investments made by the funds selected in this asset class are dedicated more or less to this theme: they represent almost 90% of the investments in this asset class.

They concern in particular the renewable energy sectors (wind, solar, biomass and biogas,...), but storage, which is now essential for optimising network fluidity, mobility to support amongst other things the expansion of the electric vehicle fleet, energy efficiency, waste treatment and the water sector in all its aspects.

Barn solarisation by Arkolia

Europe's energy transition and sovereignty require massive investment in low-carbon infrastructure.

In order to meet this need, the FRR selected three new equity financing funds that meet this requirement in 2025, namely the third iteration of Quaero Capital's Quaero European Infrastructures Fund strategy, the fifth iteration of Rgreen Invest's Infragreen strategy, and the Mirova Energy Transition 6 (MET6*) fund.

This fund, in particular, continues to implement the proven strategy of its five previous iterations by financing renewable energy projects and industrial platforms that contribute directly to the decarbonisation of the energy system. The fund invests predominantly in Europe (with a target of 35% of its portfolio in France), in wind, solar, hydropower, and low-carbon storage solutions and mobility assets. This approach enables it to support industrial players that are essential to the energy transition, while meeting the needs of long-term investors seeking stability, visibility and measurable impacts.

Its historical partners include Arkolia, a French independent energy producer operating across the entire value chain (development, construction and operation of solar and wind-turbine power plants, and green gas projects). Created in 2009 to combine the intelligence of technology with that of the territories, this integrated energy company, with a workforce of 274 employees, now operates more than 500 MW of renewable assets, and aims to develop around 1 GW more, including 400 MW that are already secured, mainly in rooftop solar.

Arkolia conducts 100% of its business in France and has its headquarters in Montpellier. The company's activity is deeply rooted in the territories, particularly in the farming sector, through barn solarisation, agrivoltaic systems and biogas. This positioning contributes to the local production of low-carbon electricity, in line with national energy transition objectives.

The relationship between Mirova and Arkolia is long-term relationship that began in 2019, and which entered a new phase in 2025 when MET6 acquired a €105 million stake in Arkolia to support its growth plan. This continuity reflects Mirova's desire to provide long-term support to pivotal industrial players and to offer financing solutions adapted to each phase of development.

In 2025, Arkolia's operations generated approximately 538 GWh of renewable electricity – i.e. the equivalent of the annual consumption of nearly 125,000 French households – thereby contributing to increasing the supply of low-carbon energy in the region. The company also has a strict, comprehensive ESG policy, including an ISO 14001-certified environmental management system, and an enhanced waste management system, and is committed to equal employment opportunity and sustainable governance.

*MIROVA ENERGY TRANSITION 6 is a Société de Libre Partenariat (SLP) under French law, open to subscriptions. Mirova is the Management Company. This fund is not subject to the approval of a supervisory authority.

CONTINUOUS ENGAGEMENT WITH MANAGERS AND COMPANIES

The FRR's engagement through voting

In early 2023, the voting guidelines were updated to provide clarity on a number of topics and to reflect recent regulatory developments. In particular, the following were highlighted:

- The importance of establishing within the FRR's Boards a **Committee dedicated to Corporate Social Responsibility** (CSR) matters;
- The desire to introduce **a regular vote at General Meetings on climate goals and climate reporting**;
- Encouraging companies to **publish a fairness ratio**, including in countries where this is not mandatory. This refers to the ratio between the company's highest remuneration and the average and median remuneration of employees. In order to maintain corporate cohesion within the company, the FRR proposes that the overall annual remuneration of senior executives be capped at 100 times the minimum salary in the country where the head office is located, or where there is no minimum salary, 50 times the median remuneration calculated at Group level.
- the need to analyse portfolio companies' dividend distribution policies:
  - by factoring in changes in companies' payroll to ensure a fair relationship between employees and shareholders over the long term,
  - in line with the challenges of the energy transition and associated investments.

In accordance with its founding documents, the FRR's voting rights are exercised, exclusively in the Fund's best interests, by external providers, and currently by the asset managers that it has selected.

The guidelines on the exercise of voting rights, available for consultation on the FRR's website, incorporate all of these elements and must therefore be sufficiently wide to account for jurisdictional particularities (both in France and internationally). The FRR's objective is thus to capitalise on managers' knowledge and their ability to capture the practices in force in the various financial markets. Managers may also have regard to these local practices on matters that are not covered by the FRR's voting guidelines.

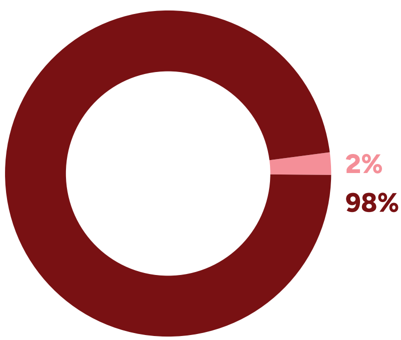
Exercise of voting rights

Monitoring, carried out by the FRR through its asset managers, enabled it to take part in 912 shareholder general meetings in 2025 and to vote on more than 13,000 resolutions in the countries comprised in its developed markets equities portfolio. Its managers took part in 98% of the voting general meetings.

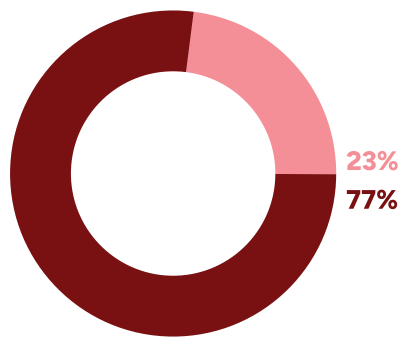
At general meetings, the FRR's Managers voted FOR on 70% of the resolutions proposed by management, and AGAINST on 23% of the resolutions, slightly more than in 2024 (23% as opposed to 22%).

In 2025, the most frequent "AGAINST" votes were for the renewal of Board members and the variable share of executives' compensation.

Number of general meetings at which the FRR voted in 2025



Outcome of votes in 2025



Reporting requirements for companies, managers and the FRR

The European regulatory landscape surrounding responsible investment (Environment, Social and Governance) is constantly changing, with the introduction of new directives and requirements such as the environmental taxonomy, the SFDR and the Omnibus Directive amending the CSRD and the CSDDD. These have a significant impact on companies and investors. These regulations seek to increase transparency and accountability, and to promote sustainable business practices.

Thanks to these new European regulations, the FRR now has at its disposal more comprehensive and comparable information to make informed investment decisions that take ESG factors into account.

Every year, the FRR publishes a Sustainability Report, initially in accordance with Law No. 2015-992 of 17 August 2015 on the energy transition for green growth (Article 173), and now in accordance with Article 29 of Law No. 2019-1147 of 8 November 2019 on Energy and Climate (the "LEC"). This is voluntary, since the FRR is under no obligation to publish such a report. This Article 29 incorporates regulatory developments and experience from best market practices:

- the European Sustainable Finance Disclosure Regulation (SFDR), including in particular the incorporation of the concept of "double materiality": concerning both the potential risks of ESG criteria on investments, and conversely the Principal Adverse Impacts (PAI) of investments on sustainability factors;
- the EU Taxonomy Regulation on sustainable activities, which partially entered into force at the beginning of 2022;
- the TCFD recommendations.

Article 29 of the LEC also contains some provisions that are specific to France:

- details on the integration of ESG factors into risk management frameworks, with a focus on climate and biodiversity related risks;
- publication of strategies to align with the temperature targets of the Paris Agreement, as well as with the long-term international objectives on biodiversity conservation;
- evolution of the "comply or explain" principle towards a requirement for a continuous improvement plan with setting of targets and corrective measures.

Collective and individual engagement actions

Climate-related engagement initiatives

Collective engagement actions

The FRR is a signatory member of the Climate Action 100+ coalition, the largest investor engagement initiative on climate change, which has more than 600 signatories. The signatories engage in dialogue with 168 of the world's largest listed private issuers and drive corporate climate action, in line with the global goal of achieving net zero emissions by 2050 or earlier.

Engagement actions undertaken at the initiative of the FRR

As part of the Net Zero Asset Owner Alliance (NZAOA), the FRR asked two managers of its European equity mandates managed in line with the Paris Agreement (CAAP mandates) to initiate an engagement process with a selection of companies in the portfolio. The 26 targeted companies were selected in accordance with the NZAOA's "Target Setting Protocol 4" rules.

Indeed, the NZAOA recommends selecting at least 20 portfolio companies, with a focus on portfolio companies that are responsible for the majority (65%) of emissions. The desired outcome of these engagement initiatives is alignment with trajectories trending towards not exceeding, or not significantly exceeding, the 1.5°C threshold.

The managers use the Climate Action 100+ Net-Zero Benchmark to objectively assess companies based on key climate criteria, such as carbon neutrality objectives, governance, and short-, medium- and long-term objectives. This tool is used to track progress over time and companies' performance. The analysis carried out in 2025 concluded that, among the 26 companies involved in the studied, 4 that were already being monitored by CA 100+ stood out for their good performance, particularly on the neutrality objective and TCFD reporting. Seven others, outside the scope of the CA 100+, show marked progress, including two with an overall improvement of more than 50%, driven by progress on long-term objectives or transparency.

Engagement initiatives on the other ESG issues

In its call-for-tender questionnaires, the FRR includes a significant number of extra-financial analysis criteria. It also encourages portfolio management companies to participate in the Net Zero Asset Manager (NZAM) initiative, as well as collaborative engagement initiatives on climate and other sustainability topics.

Regardless of the asset class, the FRR's management mandates require that managers factor in its responsible investment strategy in their management process. This is achieved through the systematic incorporation of an ESG analysis in the issuer selection process, and through the exercise of voting rights, dialogue with issuers, and reports on ESG practices at biannual management committee meetings and in the annual reports.

FRR's involvement in the FIR working group on measuring engagement effectiveness in 2025

In 2025, the FRR, in collaboration with the ERAFP and under the aegis of the FIR, continued its involvement in a pilot group to measure the effectiveness of ESG engagement.

An ever increasing number of responsible investors are seeking to encourage companies to adopt more sustainable practices and change their business models. Developing a method for objectively assessing the effectiveness of engagement initiatives is an essential step in boosting their credibility. This will also help improve the criteria for selecting management companies surrounding this theme.

This ambitious project brings together experts from institutional investors, management companies and academics. The report is expected to be published in 2026.

Inclusion of criteria on just social transition and respect for biodiversity

Just social transition

Companies are starting to incorporate just social transition principles in their decarbonisation strategies. The Just Transition can be defined as a transition to a low-carbon economy that includes measures (i) aimed at ensuring future opportunities for workers, their families and the communities affected by this transition, and (ii) based mainly on social dialogue between the different stakeholders (workers, vulnerable communities, companies, governments).

The FRR contributes to raising awareness among companies through the engagement initiatives it undertakes in its capacity as a signatory to the Climate Action 100+ coalition: one of the topics addressed in their annual benchmark concerns the just social transition.

Twenty-one (21) investors – including the FRR, under the aegis of the Forum for Responsible Investment – representing more than 4.3 trillion euros in assets under management, have launched a second phase of dialogue with several French and European companies on the subject of the Fair Transition.

Following the January 2025 publication of a first report entitled "*Les investisseurs et la Transition Juste : une grille de sensibilisation pour l'engagement*" (Investors and the Just Transition: an awareness grid for engagement), this investor coalition decided to continue these discussions with a number of companies, with a view to improving the maturity of and practices around this theme, which are still poorly understood, or misunderstood.

Respect for biodiversity

As a responsible investor, biodiversity is one of the FRR's priority themes. Indeed, the stability, productivity and resilience of our economic model depend directly on "ecosystem services", i.e. the essential benefits provided by nature for free (such as pollination, water purification or climate regulation), without which industries, agriculture and markets would collapse.

This is why the FRR supports biodiversity-related engagement initiatives, such as the "Spring and Nature Action 100" initiative, among others.

The Spring Initiative is a Principles for Responsible Investments (PRI) stewardship initiative. It is a collaborative engagement program that brings together investors for the purpose of engaging with key companies with the aim of (i) reducing systemic risks related to deforestation, land degradation and biodiversity loss, and (ii) aligning their strategies, operations and commitments with nature conservation objectives.

Similar in structure to Climate Action 100+, Nature Action 100 is a global, collaborative initiative that seeks to encourage institutional investors to engage with large corporations to urge them to be more ambitious and take more steps to halt and reverse biodiversity loss by 2030. This is achieved by setting clear expectations and tracking progress using benchmarks.

3

WORKING TO MEET THE MAJOR PUBLIC CHALLENGES OF TOMORROW: AN ESSENTIAL LINK IN THE FINANCING OF THE FRENCH ECONOMY

SUPPORT FOR THE FRENCH AND EUROPEAN ECONOMIES IS A CORE TENET OF THE FRR'S INVESTMENT STRATEGY

As vector of inter-generational solidarity, a long-term investor and a manager of public funds for the collective benefit, the FRR devotes more and more effort each year to supporting French and European companies, which are a source of long-term value creation. As such, it contributes towards consolidating the equilibrium of the social security system through the creating of jobs and through the income generated by the companies it supports.

Thus, at year-end 2025, among its listed assets, more than half of the exposure to developed market equities was allocated to the Eurozone, compared to less than 9% of their total capitalisation. And among European equities, around 27% were invested in small caps (including 17 points in France), and about 10% in European capitalisations.

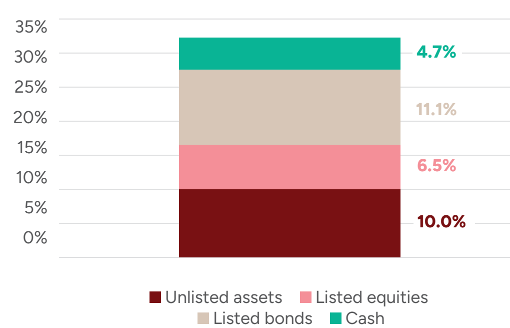
In terms of bonds as well, in 2025, the FRR's investments were more heavily targeted towards the eurozone. A significant portion of the €1.45 billion annual payment to the Cades was secured through the sale of all of the investment-grade corporate bonds issued in dollars, i.e. around €900 million. At year-end 2025, 62% of the bonds held by the FRR were issued in euros. Lastly, in order to participate in the EU Capital Markets Union highlighted in the Draghi, Noyer or Letta reports, the FRR launched several in-depth studies on high-quality European securitisation, which resulted in investments being made in early 2026.

In terms of unlisted assets, the FRR's portfolio is almost exclusively invested in European companies, with approximately 80% in France. Moreover, the two calls for tenders launched in 2025, for private equity (funds of funds) and unitranche private debt, impose a minimum share of 80% in France, and the rest in Europe. By targeting SMEs and small mid-tier companies, the FRR supports the development and growth of the French economic fabric, particularly in strategic sectors that are essential to French sovereignty, such as digital and technology (in particular through investments in "Tibi" labelled funds), defence, energy, health, etc.

At 31/12/2025, across all funds and mandates, excluding derivatives and including money market products, 62% of the FRR's investments were made in Europe (of which 32% in France). In terms of the breakdown of the FRR's investments in France, 31% were investments in unlisted assets, 34% in listed bonds, 20% in listed equities, and 15% for the purpose of cash management.

Lastly, of these 73 management companies entrusted with one or more investment vehicles, 49 were French, and 47% of total assets under management were entrusted to teams located in France.

Investments in the French economy as a proportion of the FRR's total assets



STRONG SUPPORT FOR THE ECONOMY THROUGH LISTED ASSETS

Index providers

At the end of 2025, the FRR's equities portfolio consisted of 6 optimised management strategies, for which the FRR chose a benchmark for comparison purposes.

Among these strategies, since April 2021, the FRR has incorporated several so-called "smart beta" strategies – not weighted by market capitalisation – based on the model developed by the French fintech company, Equity GPS. This company, which was founded in 2012, offers an innovative expert system that assesses, on a daily basis, the valuation and financial outlook dynamics of nearly 7,000 listed companies worldwide, which represents more than 90% of the world's market capitalisation. This process can be used to identify pockets of market inefficiencies using a systematic and objective methodology.

The model is based on a solid academic foundation, and uses an objective methodology, incorporating 30 years of historical data. Its automated process collects, models and processes more than 300 million items of financial data, rendered in the form of daily scores and graphs.

To capitalise on Equity GPS's expertise, the FRR requested that a smart beta solution be created to optimise the average Equity GPS score of a portfolio of Eurozone large and mid-cap equities. This sophisticated solution incorporates liquidity and turnover constraints, as well as decarbonisation and tracking-error targets against the capitalisation-weighted benchmark. To develop this strategy, Equity GPS entered into a partnership with the French index provider Fair Cost Index to fulfil the index-valuation and operational-monitoring requirements. This provider – which is an ESMA-approved provider – produces customisable global equity indices employing transparent, unbiased, and low-cost methodologies.

Since 2021, €205 million have been invested in this strategy developed by Equity GPS, and the outperformance compared to the capitalisation-weighted benchmark was estimated at nearly 31.2% at the end of 2025, including over 10.2% in 2025 alone.

Since April 2021, the FRR has also added an optimised management strategy based on the "Q Rate" methodology – which was initially developed by Exane, but is now operated by BNP Paribas Indices – following the full integration of Exane's teams in the group. This continuity ensures that historical expertise is preserved: Exane teams remain responsible for research and for determining the weightings at the heart of the selection process. The Q Rate method was introduced in 2010 and its fundamental principles have not been changed since.

It is based on a systematic and objective analysis of eurozone companies across four fundamental dimensions: valuation, growth, price dynamics and risk profile. The methodology incorporates differentiating measures, such as analysts' expectations, revisions of these expectations, and a comparison of upward and downward adjustments.

Securities are valued using a structured set of quantitative criteria resulting in a composite score, and then an optimisation process seeks to maximise this average score by incorporating liquidity, diversification and tracking-error constraints versus the cap-weighted benchmark. This methodological framework aims to capture market inefficiencies in a disciplined, transparent and reproducible manner.

Historically, the strategy has demonstrated an ability to generate alpha on a regular basis, particularly in the eurozone, while maintaining a contained anti-market bias and good participation in bull phases. It also exhibited robust performance in various market environments, including those that are traditionally unfavourable to smart beta approaches. To capitalise on this expertise, the FRR requested the creation of a replicable index, calculated passively by Solactive and rebalanced monthly. This synthetic index closely reflects the Q Rate methodology and also incorporates a climate-related exclusion filter targeting the highest emitting companies.

Since 2021, €225 million have been invested in this strategy, and the outperformance compared to the cap-weighted index amounted to 24.9% at the end of 2025, including 2.8% in 2025. As such, this solution contributes to factor diversification in the FRR's portfolio, while remaining fully aligned with its decarbonisation objectives.

Listed small-cap equities

The *Fonds de Réserve pour les Retraites* (FRR) has been gradually increasing its allocation to the French small- and mid-cap segment through dedicated mandates, and has been doing so for over 15 years.

At year-end 2025, French small caps – which are included in several mandates or funds held by the FRR (French and European small cap mandates, mainly the listed compartment of the Novi 1&2 funds) accounted for around €800 million in assets under management, i.e. 3.9% of the FRR's total assets. In addition, around €400 million are also invested in European small-caps, bringing assets under management in this category of equities to nearly €1.2 billion, i.e. 5.8% of the FRR's total assets.

Given their low valuation for several years, and despite the sound economic fundamentals of the companies in the portfolio, the FRR decided to increase the weight of these French small caps in its allocation at the end of March and early April 2025 by redeploying €100 million through some of its dedicated mandates. This enabled us to offset a recent trend of rather negative net flows in this asset class.

Visit of Lectra's R&D and equipment production site, in Cestas near Bordeaux

LECTRA

We pioneer. You lead.

To enhance the tracking of the mandates it delegates to financial managers, the FRR takes part in site or company visits, during which our teams can observe the work of the analyst managers and their detailed approach to the projects they support.

Since the management company Amiral Gestion has a stake in Lectra's capital, they were able to organise a visit to the Cestas site near Bordeaux for a delegation comprising several of its customers – including the FRR – in December 2025.

At its site in Cestas, Lectra manufactures cutting equipment for the fashion, automotive and furniture industries, but the site is also a major R&D hub for the group, and includes a dedicated space called the "Experience Center", where Lectra meets customers and prospects.

Created in 1973, the group initially sought to improve garment-manufacturing processes by incorporating pattern reading machines (*LECteur* in French), and other machines designed to trace the pieces to be cut (TRACers), to optimise the quantity of material used, hence the origin of its name, LECTRA. Owing to its highly developed capacity for innovation, coupled with an effective external growth strategy based on a "complete solution" approach, Lectra is now the world leader in textile- and leather-cutting solutions for the furniture, luxury, leather goods and automotive (seats & airbags) sectors.

Then, in the 2010s, anticipating its customers' digital transformation, Lectra made a major strategy shift towards Industry 4.0 and began offering connected software applications incorporating features such as predictive maintenance, production-flow optimisation and cutting-system interconnectivity support, marketed as a subscription-based online service (SaaS).

Lectra has more than 25,000 customers in some 100 countries and employs 3,000 people worldwide, including nearly a third in France. More than 12% of its turnover – more than €525 million, according to year-end 2024 data – is allocated to investment in research and development.

Lectra site in Cestas

This visit to a **key French technology player**, a pioneer of Industry 4.0, revealed a company that is right at the heart of major French and European challenges, namely **industrial sovereignty, relocation, sustainability and textile traceability**, from sourcing to recycling, making it a central link in the digital and sustainable-textile value chain.

Engagement with STEF

In addition to seeking financial performance based on robust processes and managers, the non-financial quality of the FRR's dedicated management mandates, and its contribution to their alpha, are key aspects of each market's objectives. Accordingly, our management companies' corporate engagement initiatives are essential.

For example, in 2025, as part of its responsible investment policy, Indépendance AM undertook an engagement initiative with STEF, a company that is included in the FRR's mandate portfolio. STEF is a major player in temperature-controlled logistics and transport services in the highly carbon-intensive agri-food sector.

That engagement approach is part of a wider constructive approach aimed at better understanding and supporting the practices implemented by the company in response to the environmental and social challenges specific to its sector. Its objective was to learn more about the operational solutions that have already been implemented by STEF, and the margins for progress that they have identified, with a view to contributing to a broader reflection on the drivers of action that can be mobilised by the sector's players.

Discussions with management focused more specifically on the actions implemented in terms of social responsibility – including a historically pivotal social component for the group, comprising an agreement on disability that has been in place for more than twenty years, employee shareholding and sponsorship actions – and on the actions undertaken to combat climate change. These include the strategy for reducing greenhouse gas emissions, based on (i) clearly identified priorities (a 30% reduction in CO_2 emissions by 2030; use of 100% renewable electricity by 2025; and structuring the policy on subcontracting transport and employee training), (ii) operational levers that have been mobilised (changes in the vehicle fleet, etc.); improvement in the energy efficiency of infrastructures; use of alternative energies; and massification of flows, and (ii) systems for managing and monitoring the climate trajectory.

Presentation of ambitious social and environmental measures to STEF

According to Indépendance AM, this engagement initiative confirmed the consistency of the company's strategic choices with the stated climate objectives, in line with the FRR's expectations in terms of climate engagement with its portfolio companies.

Investments in European securitisation

The aim of FRR's investment in European securitisation is to further diversify the bond portfolio and thus optimise its risk/return profile, while at the same time contributing to the European capital markets union. In 2025, the Supervisory Board – including representatives of the supervising ministries – approved a €200 million exploratory investment by the FRR in this asset class. It offers an alternative allocation opportunity to traditional investment-grade and high-yield bonds, and since its correlation with other bond segments is low, it enhances the portfolio's overall resilience.

The major interest of European securitisation lies in the historical quality of its underlyings: European products — in particular ABSs, RMBSs and certain CLOs — have demonstrated very strong resistance, including during the 2008 crisis, with very low cumulative default rates, unlike their American equivalents (subprimes in particular). This robustness is reinforced by a regulatory environment that has been radically revised since 2017, most notably around the STS (Simple, Transparent, Standardised) framework for ABSs, which imposes strict transparency, homogeneity of assets and mandatory retention of 5% of the risk by issuers, thereby mitigating moral hazard and aligning interests between originators and investors.

The European market, although three times smaller than the US market, is sufficient in depth to allow the FRR to build significant exposure. The FRR has therefore chosen to focus almost exclusively on European securitisation, avoiding US exposures as much as possible, since they are less compatible with the FRR's risk framework and prudential requirements (particularly the riskier US CLOs, for which the risk-retention requirement in force in Europe was repealed in 2018). France is the leading continental market with 14% of issues.

For the FRR, securitisation is a strategic vehicle for participation in the financing of the real economy, since it is a way of channelling institutional savings towards the financing needs of households and companies. Firstly, the very mechanism of securitisation transforms illiquid assets – such as residential mortgages, auto loans, consumer credit, or trade receivables – into negotiable securities, providing the banks and credit institutions that bear these claims with liquidity. Thus, by selling these assets to a securitisation vehicle, these players free up balance sheet capacity and can thus grant new loans to the real economy, particularly households, SMEs and companies in productive sectors.

As such, the FRR contributes to the fluidity of credit by expanding the financing circuits beyond the banking system. In Europe, ABS, RMBS, car loans, SME loans, trade receivables and aircraft financing represent large sectors in terms of financing economic activity. By investing in these instruments, the FRR therefore contributes to supporting these markets, thereby increasing the financing capacity of the real economy.

Finally, the financing of the real economy through securitisation also takes on a strategic dimension at European level. Securitisation is supported by the French and European authorities, since it contributes to the Capital Markets Union, one of the objectives of which is to better direct savings towards productive financing needs. Through these frameworks, it is also possible to direct institutional investment towards projects that comply with the European Taxonomy (energy renovation, climate transition, circular economy), thereby strengthening the role of securitisation as a driver for financing the environmental transition.

In a first phase, given the time required to launch dedicated mandates, the FRR will gain exposure to securitisation through open-ended UCITS funds, with an initial amount of €200 million, thereby allowing for rapid deployment and a gradual ramp-up in skills in the asset class. The identified investment universe is relatively small but robust, with a preference for Investment Grade funds (rated AA/A) invested mainly in European ABSs and RMBSs. Based on the FRR's experience with this asset class, a call for tenders is possible in the coming years.

For the FRR, European securitisation represents an allocation opportunity that is structured, disciplined and suited to its long-term objectives, supported by a growth market, a solid regulatory framework, and an attractive risk-return profile compared to traditional bond markets.

SIGNIFICANT SUPPORT FOR THE ECONOMY THROUGH PRIVATE ASSETS

Private equity

Private equity supports the growth and development of unlisted businesses, by providing capital to support the start-up (innovation capital), development (growth capital) and transfer of companies (buyout capital).

In 2025, two new, Tibi-labelled private equity financing funds were selected:

- The FST (*Fonds stratégique des transitions*) fund, managed by Isalt, which targets long-term investment in the capital of predominantly French companies showing real potential in terms of value creation, competitiveness, and their ability to become leaders of tomorrow, and whose strategic direction incorporate the challenges of transitions.
- The Jeito II Fund, which is a continuation of Jeito I, which seeks to identify and support promising European biopharmaceutical companies in order to accelerate the development of innovative therapies for patients without therapeutic alternatives.

Overall, at year-end 2025, more than €1.5 billion (for a year-end 2025 valuation of €1.2 billion in invested but undistributed amounts) had been committed to private equity funds targeting French companies in the buyout-, innovation- and growth-capital segments, thereby supporting their development and job creation in France. All segments have seen their workforce increase by 13% in average annual growth since the investment. The highest growth rates are recorded for funds operating in earlier stages, as shown in the graph on the next page.

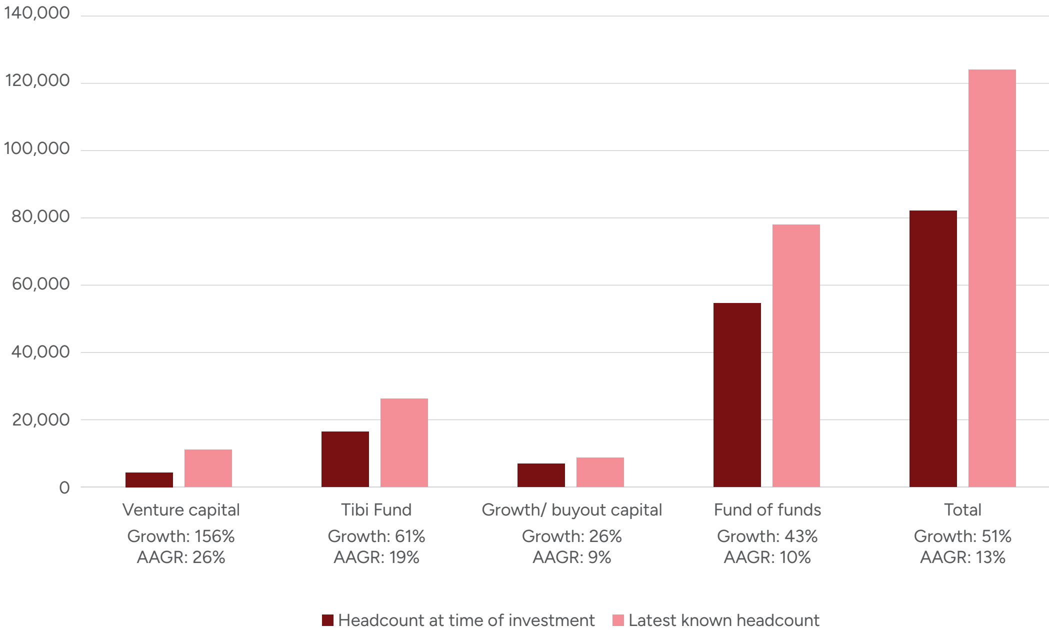
This capital support helps strengthen companies in their markets, promote their development – especially internationally – and create jobs.

Investment in the capital of unlisted companies across all French regions thus contributes to the creation of jobs, but also fosters the emergence of national champions.

The innovation capital funds and mandates selected by the FRR finance French companies developing disruptive innovations – some of which have major social impacts on patients with few therapeutic options, such as Abivax, financed by Sofinnova – or contributing to national sovereignty, such as Unseenlabs, financed by Omnes, and Isalt or Elistair, financed by Omnes.

Abivax is a French clinical-stage biotechnology company that develops therapies that harness the body's natural regulatory mechanisms to stabilise the immune response in patients with chronic inflammatory diseases. In July 2025, Abivax announced positive results from a phase 3 study on ulcerative colitis, a devastating disease with a major unmet medical need.

Change in headcount since capital investment (*raw data*)



Unseenlabs is a French player specialising in maritime surveillance from space via the detection and geolocation of radio frequency (RF) signals emitted by ships. The technology provides the AIS (Automatic Identification System) with an additional layer of intelligence, and is used to identify, characterise and track ships – including uncooperative ones (AIS cut off) – with near-real-time data delivery for operational uses.

The main applications cover Maritime Domain Awareness (MDA) and maritime ISR (Intelligence, Surveillance and Reconnaissance), used in combating illegal fishing, trafficking, piracy, and pollution/degassing, protecting offshore infrastructure, supporting insurers/shipowners, and economic intelligence.

Unseenlabs operates its own constellation of nanosatellites (BRO family). The first satellite was launched in 2019 and the fleet will comprise more than 20 satellites in 2026.

The company employs more than 125 people, mainly in Rennes, and a significant recruitment campaign is planned in 2026.

Unseenlabs nanosatellite

Elistair is a world leader in the design and manufacture of tethered drone systems connected to the ground by a cable providing a continuous power supply and secure data transfers (flights to 100 m extended without interruption for surveillance missions).

These technologies help public safety and defence forces make quick and informed decisions in critical situations by providing real-time aerial intelligence. The main applications include tactical communications, surveillance and reconnaissance (ISR) operations and border surveillance.

Elistair employs 55 staff in France, with a production site in Dardilly and a predominantly European supply chain. A new production site was opened in Dardilly in 2024 to double production capacity. The number of staff increased from 35 to 55 between 2021 and 2025, with more than 50% additional recruitments planned over the next 3 years.

Elistair's tethered drone

Private debt

At 31 December 2024, the FRR's exposure to private debt (senior debt and mezzanine debt funds) was **€672 million, mainly in the French market (around 84%) for an initial commitment of €1.9 billion**, a level that has since declined due to the gradual liquidation of the first funds subscribed to about ten years ago. This mechanical decline reflects the fact that many vehicles reached the end of their life, including several senior funds and historical mandates (for example, 4 funds were liquidated in 2025), and is accompanied by a natural rebalancing of the portfolio towards the most recent vehicles, mostly mezzanine funds (2 investments made in mezzanine funds in 2025).

The portfolio remains secure, as it is mainly composed of **senior debt** (62%), it has significant collateral (83% of transactions) and the proportion of "covenant light" receivables remains moderate (around 11%). Despite an environment marked by an increase in the number of corporate insolvencies in France in 2023-2024 — a phenomenon that has now returned, with levels that are higher than pre-Covid levels and close to levels during the post-2008 crisis period — the FRR's private debt portfolio was not impacted. No increase in the number of defaults was observed among the financed issuers, and the vast majority of lines remained in a situation of normal debt service.

The share of mezzanine debt in the private debt portfolio has increased significantly in recent years. Mezzanine debt is a key instrument for corporate financing, as it completes the capital structure between senior debt and equity. Its market is narrower than that of unitranche debt, but it is particularly well developed in France. Mezzanine financing can be broken down into two types: sponsored, when the transaction is backed by an equity sponsor, generally providing around 50% of equity, and sponsorless (without an equity sponsor). In the latter case, the level of equity level is generally lower – around 30% – which means that the financial structure can be optimised while limiting capital dilution, a key issue for the FRR in the context of strengthening French sovereignty. Indeed, French SMEs and mid-tier companies – often smaller in size than their German counterparts – have more difficulty accessing the high-yield bond market. Mezzanine debt thus offers them flexible source of financing, adapted to growth, transfer or refinancing transactions, particularly when bank debt capacities have already been used. Mezzanine debt is therefore a key financial engineering tool for French companies. Its flexibility, preservation of corporate governance, ability to adapt to complex transactions and attractiveness in terms of risk/return make it a particularly relevant asset class for the FRR.

Through the Sponsorless Mezzanine Indigo Capital 2 fund, the FRR invests in the Rivalen group, whose main commercial brand is Roger Pradier, a French company "established at the beginning of the twentieth century, in the subdued lighting of artisanal workshops". It has been manufacturing outdoor lighting since 1910. Made in France, "its aluminium lights, with their classic or contemporary designs, embody a certain idea of French elegance: sober, solid and timeless".

Finally, to support the FRR's gradual investment in mezzanine funds, a call for tenders dedicated to unitranche private debt was launched in 2025. It aims to strengthen the FRR's role in the direct financing of French SMEs and mid-tier companies, through a direct lending strategy centred around non-syndicated senior financing. This type of debt has specific advantages: a single lender, direct access to governance, quick restructuring, and greater risk control, owing to operational proximity to managers and sponsors. The call for tenders thus favours French companies whose operations are rooted in the real economy, particularly in the small and medium-sized segment. In addition, the strategy seeks to promote transactions that incorporate ESG criteria and job creation in France, including the obligation to include ESG margin ratchet mechanisms.

Through the CIC Mezzanine & Unitranche Financing 5 fund, the FRR invests in the Delbert Pharma laboratory, a French company specialising in the recovery and exploitation of essential, non-substitutable drugs. These drugs, which are often neglected by large laboratories because they are considered non-strategic, are nevertheless essential for patients and for the continuity of care. Delbert Pharma has thus established itself as a preferred partner of the Health Authorities in the fight against disruptions in the supply of essential medicines.

Participation in NOV funds

In 2020, following the first Covid crisis, the FRR participated in a market initiative aimed at supporting the French economy in two areas: health sovereignty, through the Nov Santé private equity fund, and the French tourism sector, through the Nov Tourisme fund. The economic objective of these funds was to support the growth and development of companies in these sectors through minority investments in equity and/or quasi-equity.

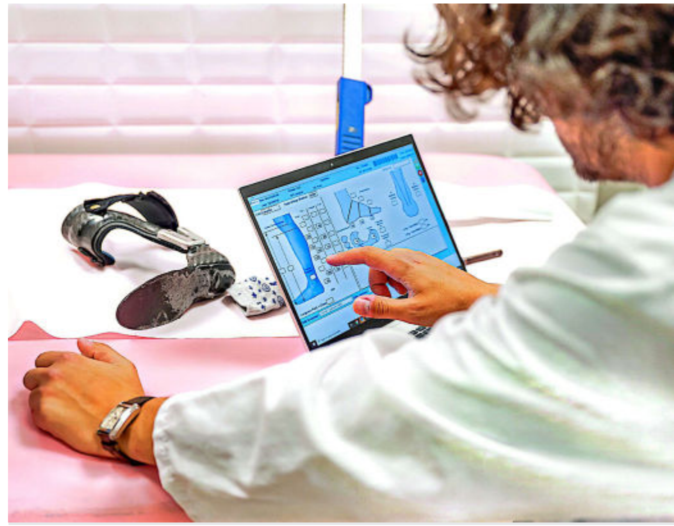
The objective of the Tourism initiative was to support a sector that was then in crisis, but which returned to good growth dynamic after the pandemic, driven by sustained international demand and leadership in terms of tourist number boosted by the success of the Paris Olympic Games.

The rationale behind the Health Initiative was to contribute to reinforcing health sovereignty by financing equipment, healthcare operators and biotechnology. The lack of health sovereignty was highlighted at the beginning of the health crisis. As a result, the Health Project prioritises French players for the sale of investments, in order to limit the risk of sales to foreign partners.

It should be noted, at this stage, that the Nov Tourism fund is now in its amortisation period, whereas the Nov Santé fund has extended its investment period by a few more months.

One of the companies in the NOV Santé unlisted equities fund that Eurazeo invested in in 2025 was a company called Proteor.

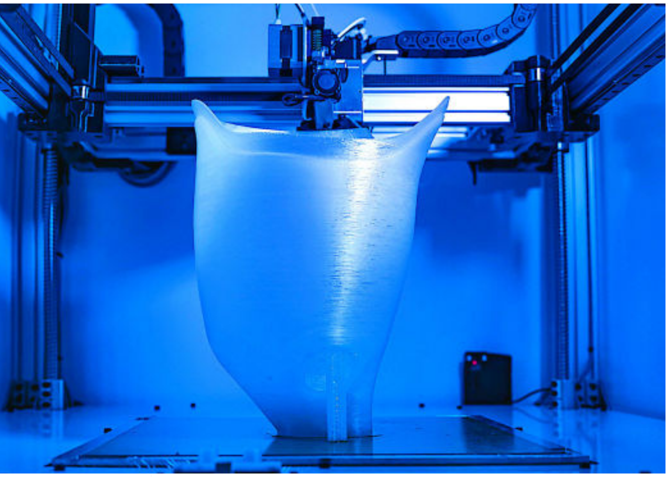
Proteor is a leading French family-run business operating in the field of orthopaedics. It has been run by the Pierron family for four generations. The group has a turnover of around €170 million and nearly 1,200 employees committed to serving amputees and/or patients with limb deficiencies.



Orthotic devices designed by Proteor

The Group relies on an integrated model structured around three complementary activities:

- a network of around a hundred orthotics/prosthetics centres (including 80 in France) dedicated to manufacturing made-to-measure prostheses and orthoses and to supporting patients;
- the design and manufacture of orthopaedic components – in particular lower limb prostheses – distributed to healthcare professionals;
- the development of digital solutions to support orthotists and prosthetists in their practice.


3D printer for prosthesis manufacturing by Proteor

Proteor has four production sites in France, Germany and the United States, as well as eight international subsidiaries that contribute to the distribution of its innovations to orthopaedic professionals around the world.

With its recognised culture of innovation, the group develops advanced technological solutions designed to reproduce the biomechanics of human walking as closely as possible, using lighter, more resistant components capable of reproducing complex articulated movements.

Proteor develops integrated systems combining leg, knee, ankle and foot components, as well as digital tools to improve the fit and monitoring of its prostheses, which contribute to improving the mobility, comfort and autonomy of thousands of patients around the world.

4

FINANCIAL INFORMATION

THE FRR'S COSTS

Costs for the 2025 financial year amounted to €78.31 million compared to €84.07 million in 2024. A four-year administrative-management agreement was signed in 2025 with the *Caisse des Dépôts*, with a lower budget trajectory for costs (6% decrease in 2028).

Expenses such as personnel costs, real estate costs, IT and general overheads are included in the FRR's restrictive budget for operating expenses. These costs amounted to €18.53 million – a 4% increase compared to 2024 – and represented 24% of expenditure compared to 21% the previous year. These costs are uncorrelated to assets under management and represent around 9.0 basis points of net assets. Most of the increase was due to IT costs, in connection with the ongoing overhaul of the portfolio management information system.

The amount of the FRR's assessment-based budget was €59.77 million, down 10% compared to 2024.

This essentially comprised management fees which, in proportional terms, ultimately amounted to 67% of the operating costs for the financial year. At 31 December, the total amount of fees for still-ongoing management mandates is estimated at €15.90 million. In accordance with the recommendations made by the Fund's auditors, this amount is now recognised as an allocation to provisions for expenses. This estimate, which is down by around 19% compared to 2024, takes into account the actual fees paid during the year (€7.73 million) for expiring Japanese equity mandates.

Back-office and custody costs remained stable (€7.29 million vs. €7.13 million in 2024).

PRINCIPAL ACCOUNTING INFORMATION

Accounting and financial summary

Earnings for the 2025 financial amounted to €1,003 million, down compared to the earnings of €1,192 million posted in 2024.

Financial assets, including transferable securities and cash holdings, amounted to €20.7 billion, which was more or less stable compared to 2024 (€20.4 billion).

The valuation differences recorded in the balance sheet reflect the difference between the purchase price of the assets and their market value as at 31 December. These positive differences, amounting to €2,427 million at 31 December 2025, increased by €764 million compared to 2024 (€1,664 million), attributable notably to unrealised gains due to the significant increase in equities in 2025.

The 2025 financial result was positive, standing at €1,069 million, compared to the financial result of €1,262 million in 2024.

An analysis of the financial enabled us to assess the contribution of each income or expense category to the financial year's earnings.

In 2025, the FRR's revenue, derived mainly from coupons and dividends, amounted to €500.1 million, down slightly compared to 2024 (€545.4 million), but structurally increasing since 2019 owing to the increase in interest rates and an allocation geared more towards equities.

The FRR's currency hedging, which protects 90% of the performance assets and 100% of the currency hedging assets, resulted in a gain of +€163.1 million (versus a loss of -€46.1 million in 2024), mainly reflecting the weakening of the US dollar against the EUR.

Forward financial instruments were used to adjust the FRR's exposure to markets and manage its cash. In 2025, they generated a net gain of €291.4 million (vs. +€191.3 million in 2024), driven by equity performance, while also providing cash for Cades payments or unlisted investments.

The balance from sales of transferable securities was positive (€134.9 million) but down by €505 million compared to 2024 (€640.2 million), which was an exceptional year. This decrease can be explained by a less dynamic market, fewer portfolio turnovers and reduced flows to Cades, while at the same time reflecting the impact of currencies and past asset performance.

Lastly, the result from option hedging remained negative, amounting to -€43.3 million, compared to -€98.7 million in 2024.

Balance sheet at 31/12/2025

ASSETS

	2025			2024
	GROSS	AMORTISATION	NET	NET
FIXED ASSETS				
Intangible assets				
Other intangible assets	7,987,576.44	-6,729,916.57	1,257,659.87	1,255,312.07
Tangible fixed assets				
Technical installations, plant and equipment	12,712.31	-12,712.31	-	-
Total I	**8,000,288.75**	**-6,742,628.88**	**1,257,659.87**	**1,255,312.07**
CURRENT ASSETS				
Operating receivables	471,532.50		471,532.50	318,136.88
Miscellaneous receivables				
Financial instruments	15,021,870.24		15,021,870.24	16,395,277.71
Foreign exchange transactions	3,940,197,612.27		3,940,197,612.27	5,153,835,364.59
Forward financial instruments	266,516,138.59		266,516,138.59	201,277,212.62
Financial instruments				
Equities and similar securities	5,077,787,595.86		5,077,787,595.86	4,331,189,561.78
Bonds and similar securities	6,882,193,502.67		6,882,193,502.67	7,842,164,969.62
Negotiable debt securities (TCN)	931,519,401.52		931,519,401.52	852,005,713.85
Undertakings for collective investment	7,023,674,951.82		7,023,674,951.82	6,891,692,388.08
Cash holdings	558,828,029.74		558,828,029.74	514,466,176.02
Prepaid expenses	-		-	-
Total II	**24,696,210,635.21**	**-**	**24,696,210,635.21**	**25,803,344,801.15**
GRAND TOTAL (I + II)	**24,704,210,923.96**	**-6,742,628.88**	**24,697,468,295.08**	**25,804,600,113.22**

LIABILITIES

	2025	2024
OWN FUNDS		
Allocations	1,742,655,311.70	1,742,655,311.70
Reserves	3,923,155,677.32	2,731,742,432.27
Valuation differences	2,427,038,070.68	1,664,230,068.15
Profit/(loss) for the financial year	1,003,071,283.23	1,191,501,285.76
Total I	**9,095,920,342.93**	**7,330,129,097.88**
PROVISIONS		
Provision for expenses	15,896,100.64	0
Total II	**15,896,100.64**	**-**
DEBTS		
Financial payables		
Cades debt - 1 yr	1,450,000,000.00	1,450,000,000.00
Cades debt + 1 yr	10,150,000,000.00	11,600,000,000.00
Operating payables	16,716,470.80	35,995,728.40
Miscellaneous payables		
Financial instruments	2,566,794.68	27,209,884.91
Foreign exchange transactions	3,940,086,132.84	5,349,808,762.92
Forward financial instruments	26,282,453.19	11,456,639.11
Deferred income	-	-
Total III	**15,585,651,851.51**	**18,474,471,015.34**
GRAND TOTAL (I + II + III)	**24,697,468,295.08**	**25,804,600,113.22**

Income statement at 31/12/2025

EXPENSES

		2025	2024
OPERATING EXPENSES			
External services		61,005,314.90	82,575,205.19
Management company fees	35,442,592.13		
CDC administrative management	23,379,148.68		
Other	2,183,574.09		
Duties, taxes and similar payments		81,055.50	81,758.36
Payroll tax	81,055.50		
Personnel costs		977,143.27	1,083,959.32
Wages and salaries	712,264.23		
Social security contributions	264,879.04		
Depreciation and amort. expenses		16,244,152.84	324,992.20
Depreciation and amort. expenses	16,244,152.84		
Total I	**78,307,666.51**	**78,307,666.51**	**84,065,915.07**
FINANCIAL EXPENSES			
Financial expenses		1,257,585,797.58	1,048,251,562.30
Foreign exchange losses	336,914,870.89		
Forward financial instrument expenses	228,046,303.01		
Financial instrument disposal costs	559,510,007.91		
Option expenses	132,916,055.01		
Other financial expenses	198,560.76		
Total II	**1,257,585,797.58**	**1,257,585,797.58**	**1,048,251,562.30**
EXTRAORDINARY EXPENSES			
Extraordinary expenses		0.00	0.00
On management operations	0.00		
Total III	**0.00**	**0.00**	**0.00**
TOTAL EXPENSES	**1,335,893,464.09**	**1,335,893,464.09**	**1,132,317,477.37**
Profit/(loss) for the financial year		**1,003,071,283.23**	**1,191,501,285.76**
GRAND TOTAL		**2,338,964,747.32**	**2,323,818,763.13**

INCOME

		2025	2024
OPERATING INCOME			
External services		12,397,632.40	13,390,377.32
Other	12,397,632.40		
Total I	**12,397,632.40**	**12,397,632.40**	**13,390,377.32**
FINANCIAL INCOME			
Financial income		2,326,567,114.92	2,310,205,321.33
Income	500,054,154.41		
Foreign exchange gains	500,030,620.08		
Income from forward financial instruments	519,487,384.06		
Income from disposal of financial instruments	694,359,462.93		
Income from options	89,579,107.87		
Other financial income	23,056,385.57		
Total II	**2,326,567,114.92**	**2,326,567,114.92**	**2,310,205,321.33**
EXTRAORDINARY INCOME			
Extraordinary income		0.00	223,064.48
On management operations	0.00		
Total III	**0.00**	**0.00**	**223,064.48**
TOTAL INCOME	2,338,964,747.32	2,338,964,747.32	2,323,818,763.13
GRAND TOTAL		2,338,964,747.32	2,323,818,763.13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31/12/2025

Accounting principles and methods used

The FRR's financial statements were prepared and presented in accordance with the rules, methods and principles established by:

- the single chart of accounts for social security bodies (PCUOSS) supplemented since 13 January 2022 by the Compendium of Accounting Standards for Social Security Bodies (RCNCOSS) published in CNOCP notice no. 2022-01 (see ministerial decree of 1 August 2022 published in the Official Journal of 28 August 2022);
- the FRR's specifications as set out in CNC notice no. 2003-07 of 24 June 2003, amended by CNC notice no. 2008-10 of 5 June 2008 on the accounting of financial instruments.

The general accounting conventions were applied in compliance with the principles of prudence, regularity, sincerity and true and fair view under the key going-concern, consistency of accounting methodologies and independent financial year assumptions.

As the FRR accounts are kept in euros, the valuations of the positions of the FRR's mandates in foreign currency were recognised based on their equivalents calculated using WM/Reuters closing spot rates.

Transactions were recorded on the trade date. Since 30 November 2006, transactions involving investment securities have been recorded inclusive of expenses, in accordance with the CNC opinion dated 31 March 2006.

The WACP (weighted average cost price) rule was applied to determine gains or losses on transferable securities, and the FIFO (first in first out) rule, for futures.

Position valuations were determined on Friday evening or the last TARGET business day of the week, and the last TARGET business day of the month, by default, based on the closing price of the issuer's reference exchange, on a case-by-case basis, on the main trading market.

If no price is available on the valuation date, the valuation was based on the last known price, or on a predetermined procedure in the case of an old price.

Bond valuations were determined based on the principle of BID quotations based on contributed prices communicated by various financial services providers.

Coupons accrued at the time of purchase or sale, as well as those at the end of the period, were expressed in relation to the value date. This accounting method is linked to the recognition of transactions from the trade date.

BTFs and BTANs (French Government treasury bills and bonds) were valued based the rate published by the Banque de France on the valuation date.

Negotiable debt securities or equivalent securities that were not traded in large volumes were valued on an actuarial basis on the basis of zero coupon rates of the same maturity, plus, where applicable, an issuer spread.

UCITS were valued based on the last known net asset value. Exchange traded funds (ETFs) were valued at their latest listed price.

Private equity funds were valued based on the latest valuations communicated by the managers.

Unlisted asset UCIs were valued based on the latest valuations communicated by the managers, if lower than their cost at the time of acquisition, or at par if higher.

Forward financial instruments traded on regulated or equivalent markets, and their related commitments, were valued by reference to the clearing price.

Forward foreign exchange positions were valued by straight-line depreciation of the initial premium/discount, and by valuation of the currency position using WM/Reuters closing spot rates.

Swaps were valued based upon the prices submitted by the counterparty, verified by the manager, and also subject to various levels of control imposed by the FRR.

Unrealised gains or losses and latent foreign exchange differences were recognised in the balance sheet under valuation differences and did not affect the FRR's results.

Recoveries of withholding taxes were recognised as and when they were collected.

Realised gains or losses and final exchange gains/losses were recognised in the income and expenses statements.

Tangible fixed assets were amortised on a straight-line basis over a period of 3 years.

Intangible assets – mainly the right to use SPIRRIS software and associated maintenance – were amortised on a straight-line basis over 5 years.

Management companies' remuneration was based on a fee scale broken down into tranches of asset-under-management amounts, to which remuneration was allocated in basis points.

Certain mandates attract variable fees for outperformance, which is defined as the positive arithmetical difference between the performance of the portfolio and that of its benchmark. Such fees become payable at the end of the management mandate, provided that the outperformance is confirmed for the relevant periods, and does not exceed contractually agreed limits.

Presentation of financial statements

To facilitate the reading of the financial statements, several items have been grouped together:

Balance sheet

The various headings are presented in terms of net values taking into account the depreciation of fixed assets or valuation differences for financial assets and liabilities.

"Receivables" and "Payables on financial instruments" include transactions involving financial instruments carried out by investment companies that have not yet been received or disbursed (coupons due, sales or purchases awaiting settlement).

"Receivables" and "Payables on foreign exchange transactions" include pending transactions, whether spot foreign exchange transactions or forward foreign exchange contracts.

"Receivables" and "Payables on forward financial instruments" include pending futures transactions (margin to be settled or received, security deposit), premiums on options, and swaps (flows to be settled or received).

"Financial Instruments" are divided into four categories: equities and equivalent securities, bonds and equivalent securities, negotiable debt securities, undertakings for collective investment, including private equity funds and unlisted-asset UCIs. They are included on the balance sheet at their market value, taking into account the coupons accrued on bonds, negotiable debt securities and unlisted-asset UCIs.

"Cash holdings" include all of the FRR's cash accounts in euros and foreign currencies (valued at their rates on the last day of the financial year), as well as the interest accrued in respect of the remuneration of these current accounts and term accounts.

"Own funds" includes:

- "Allocations" meaning the balance of the funds received by the Fonds de Réserve pour les Retraites since its establishment in 1999, less the amounts allocated to Cades;

- “Reserves” representing the cumulative results generated by the FRR since its inception, less the amounts applied towards Cades debt;
- “Valuation differences” representing the latent gains and/or losses recorded across all assets as at the closing date;
- the financial year profit or loss.

Highlights

As a reminder, the exceptional, flat-rate contribution in full discharge of liabilities mentioned in Article 19 of Law No. 2004-803 of 9 August 2004, paid to the FRR by the CNIEG, in accordance with a decision of the *Haut Conseil Interministériel de la comptabilité des organismes de sécurité sociale* (High Inter-ministerial Council for the Accounting of Social Security Bodies) dated 20 April 2005, recorded in the FRR’s accounts as a debt, was settled and reimbursed on 31/07/2020, pursuant to Law No. 2020-992 of 7 August 2020 on social debt and autonomy.

“Cades Debt” is presented as “debt with a maturity of less than one year” and as “debt with a maturity of more than one year”. Law No. 2020-992 of 7 August 2020 on social debt and autonomy also provides that from 2025 onwards, the FRR will pay Cades €1.45 billion each year to finance the amortisation of the social debt.

The additional debt of €11,600,000,000.00 was recorded in the FRR’s balance sheet under “debts of over one year” by reconciling the Own Fund “reserves” and “allocations” items.

The year 2025 saw some adjustments within the accounting agency. An unforeseen absence led to a temporary reduction in the workforce, but the situation was quickly brought under control thanks to the intervention of a temporary employee at the end of April 2025. This transition period was extended by a fixed-term contract until the end of January 2026, before the employee was definitively integrated under a permanent contract from February 2026. These effective replacements ensure the accounting agency’s continued stability, in line with its stable staffing history.

In 2025, a new method of accounting for performance fees was introduced to address the structural limitations of the old accrued method. The latter, using account 46862, estimated the risks associated with future performance of mandates without a direct link to actual payments, and generating discrepancies and corrective manual entries.

To rectify the situation, an exceptional entry was made to neutralise account 46862’s residual balance, without impacting the accounts payable. From 2025 onwards, performance fees will be exclusively provisioned, maintained in the balance sheet, and adjusted annually, thereby eliminating the need for reversals and manual entries. The purpose of this transition was to make recognition more secure and to improve the readability of the income statement.

Additional information on assets

Fixed assets

	GROSS BOOK VALUE OPENING BALANCE	INCREASE	DECREASE	GROSS BOOK VALUE CLOSING BALANCE
Intangible assets	7,636,176.44	550,000.00	-199,600.00	7,986,576.44
Equity holding	1,000.00	0	0	1,000.00
I Total	**7,637,176.44**	**550,000.00**	**-199,600.00**	**7,987,576.44**
Tangible fixed assets	12,712.31	0	0	12,712.31
II Total	**12,712.31**	**0.00**	**0.00**	**12,712.31**
GRAND TOTAL	7,649,888.75	550,000.00	-199,600.00	8,000,288.75

Depreciation and amortisation

	CUMULATIVE OPENING BALANCE	ALLOCATIONS	DECREASE	CUMULATIVE CLOSING BALANCE	NET BOOK VALUE
Intangible assets	-6,381,864.37	-348,052.20	0	-6,729,916.57	1,256,659.87
Equity holding	0	0	0	0.00	1,000.00
I Total	**-6,381,864.37**	**-348,052.20**	**0.00**	**-6,729,916.57**	**1,257,659.87**
Tangible fixed assets	-12,712.31	0	0	-12,712.31	0
II Total	**-12,712.31**	**0.00**	**0.00**	**-12,712.31**	**0.00**
GRAND TOTAL	-6,394,576.68	-348,052.20	0.00	-6,742,628.88	1,257,659.87

Financial management-related receivables

RECEIVABLES	31/12/2025
Related to financial instruments	
Coupons due for collection	4,123,993.28
Sales pending settlement	10,141,793.74
Fees/rebates receivable	756,083.22
Total	**15,021,870.24**
Related to foreign exchange transactions	
Forward purchases	404,635,725.15
Forward foreign currency receivable	3,524,931,132.90
Spot foreign currency receivable	154,941.31
Discount	10,475,812.91
Total	**3,940,197,612.27**
Related to forward financial instruments	
Security deposits	255,359,643.49
Margin receivable	118,707.15
Option premium	11,037,787.95
Total	**266,516,138.59**

Financial instruments

Detailed table of financial instruments at 31 December 2025

FINANCIAL INSTRUMENTS	TOTAL PORTFOLIO
EQUITIES	
Eurozone European	3,258,994,997.88
Non-Eurozone European	232,417,052.05
America	1,127,149,123.66
Asia excluding Japan	0.00
Japan	459,226,422.27
Total	**5,077,787,595.86**
BONDS	
Eurozone European	5,146,721,764.07
America	1,735,471,738.60
Total	**6,882,193,502.67**
NEGOTIABLE DEBT SECURITIES (TCN)	
Eurozone European	898,275,418.70
America	33,243,982.82
Total	**931,519,401.52**
UNDERTAKINGS FOR COLLECTIVE INVESTMENT	
UCITS	**4,265,142,555.47**
Emerging market equities	1,179,591,275.50
Global equities	318,788,856.20
Emerging market debt	1,456,575,612.58
Money market	1,310,186,811.19
Unlisted funds	**2,758,532,396.35**
Infrastructure	653,532,903.84
Private debt	511,160,627.84
Real estate	273,305,475.00
Equity and mixed strategies	1,320,533,389.67
Total	**7,023,674,951.82**
GRAND TOTAL	**19,915,175,451.87**

Changes In The Value Of The Securities Portfolio

	PORTFOLIO AS AT 31 DECEMBER 2025			
	ACQUISITION VALUE	VALUATION DIFFERENCES	ACCRUED COUPONS	BALANCE SHEET VALUE
Equities	4,243,532,527.74	834,255,068.12	-	5,077,787,595.86
Bonds	6,906,008,242.01	-130,259,904.44	106,445,165.10	6,882,193,502.67
TCN	926,052,329.36	1,628,918.83	3,838,153.33	931,519,401.52
Undertakings for collective investment	5,434,887,324.35	1,588,787,627.47	-	7,023,674,951.82
UCITS	3,345,859,384.56	919,283,170.91	-	4,265,142,555.47
Emerging market equities	719,976,988.69	459,614,286.81	-	1,179,591,275.50
Global equities	225,756,890.95	93,031,965.25	-	318,788,856.20
Emerging market debt	1,118,398,491.76	338,177,120.82	-	1,456,575,612.58
Money market	1,281,727,013.16	28,459,798.03	-	1,310,186,811.19
Unlisted funds	2,089,027,939.79	669,504,456.56	-	2,758,532,396.35
Infrastructure	462,978,014.05	190,554,889.79	-	653,532,903.84
Private debt	484,663,194.92	26,497,432.92	-	511,160,627.84
Real estate	226,794,731.03	46,510,743.97	-	273,305,475.00
Equity and mixed strategies	914,591,999.79	405,941,389.88	-	1,320,533,389.67
Total	**17,510,480,423.46**	**2,294,411,709.98**	**110,283,318.43**	**19,915,175,451.87**

	31/12/2025
Equities	5,077,787,595.86
Bonds	6,882,193,502.67
TCN	931,519,401.52
Undertakings for collective investment	7,023,674,951.82
UCITS	4,265,142,555.47
Unlisted funds	2,758,532,396.35
Total	**19,915,175,451.87**

Portfolio breakdown by residual maturity

	31/12/2024	31/12/2025
< 3 months	5.07%	5.25%
> 3 months < 1 year	7.63%	8.57%
1 to 3 years	15.30%	14.05%
3 to 5 years	28.26%	25.49%
5 to 7 years	19.49%	19.29%
7 to 10 years	13.24%	9.15%
10 to 15 years	1.52%	5.22%
> 15 years	9.49%	12.97%
	100.00%	**100.00%**

Portfolio breakdown by type of interest rate

	31/12/2024	31/12/2025
Fixed rate	90.96%	90.85%
Index-linked rate	0.00%	0.00%
Variable rate	9.04%	9.15%
	100.00%	**100.00%**

Breakdown of financial instruments portfolio by quote currency

BASE CURRENCY	EQUITIES	BONDS	NEGOTIABLE DEBT SECURITIES (TCN)	UNDERTAKINGS FOR COLLECTIVE INVESTMENT		TOTAL
				UCITS	UNLISTED FUNDS	
AUD	0.00					0.00
CAD	0.00					0.00
CHF	16,342,097.02					16,342,097.02
DKK	9,043,908.13					9,043,908.13
EUR	3,258,994,997.88	5,146,721,764.07	898,275,418.70	2,537,146,708.47	2,758,532,396.35	14,599,671,285.47
GBP	151,278,185.41					151,278,185.41
HKD	0.00					0.00
JPY	459,226,422.27					459,226,422.27
NOK	11,981,036.30					11,981,036.30
NZD	0.00					0.00
SEK	43,771,825.19					43,771,825.19
SGD	0.00					0.00
USD	1,127,149,123.66	1,735,471,738.60	33,243,982.82	1,727,995,847.00		4,623,860,692.08
Sub-total	**5,077,787,595.86**	**6,882,193,502.67**	**931,519,401.52**	**4,265,142,555.47**	**2,758,532,396.35**	**19,915,175,451.87**
TOTAL	**5,077,787,595.86**	**6,882,193,502.67**	**931,519,401.52**	**7,023,674,951.82**		**19,915,175,451.87**

Cash holdings

CURRENCY	TOTAL
AUD	11,407,593.88
CAD	0.00
CHF	66,600.55
DKK	938.69
EUR	290,309,311.43
GBP	312,972.30
HKD	1,843,961.08
JPY	37,221,313.76
NOK	1,266.20
NZD	0.00
SEK	5,679.41
SGD	1,114,846.97
USD	216,543,545.47
Total	**558,828,029.74**

Additional information on liabilities

Changes In Permanent Capital

OWN FUNDS	31/12/2024	ALLOCATION OF 2024 INCOME	PROFIT/LOSS FOR 2025	[+]	[-]	31/12/2025
Allocations	1,742,655,311.70					1,742,655,311.70
Reserves	2,731,742,432.27	1,191,413,245.05		1,191,413,245.05		3,923,155,677.32
Valuation differences	1,664,230,068.15			762,808,002.53		2,427,038,070.68
Profit/(loss) for the financial year	1,191,501,285.76	-1,191,501,285.76	1,003,071,283.23		188,430,002.53	1,003,071,283.23
Sub-total	**7,330,129,097.88**	**-88,040.71**[9]	**1,003,071,283.23**	**1,954,221,247.58**	**188,430,002.53**	**9,095,920,342.93**
Long term debts	**31/12/2024**					**31/12/2025**
Cades + 1 yr	11,600,000,000.00				1,450,000,000.00	10,150,000,000.00
Sub-total	**11,600,000,000.00**	**0.00**	**0.00**	**0.00**	**1,450,000,000.00**	**10,150,000,000.00**
TOTAL PERMANENT CAPITAL	**18,930,129,097.88**	**-88,040.71**	**1,003,071,283.23**	**1,954,221,247.58**	**1,638,430,002.53**	**19,245,920,342.93**

Recent Financial Year Results

	2022	2023	2024	2025
Financial year profit/loss	-561,982,986.51	1,007,402,186.72	1,191,501,285.76	1,003,071,283.23

The profit/(loss) of financial years prior to closing date are allocated to reserves.

Debts

Cades debt repayment schedule

DEBTS	TOTAL	- 1 YEAR	+ 1 YEAR	OF WHICH 1 TO 5 YEARS	OF WHICH +5 YEARS
Cades debt	11,600,000,000.00	1,450,000,000.00	10,150,000,000.00	7,250,000,000.00	4,350,000,000.00

9 • See Explanatory note on Allocation of 2024 income.

Additional information on the income statement

Operating Expenses

	AMOUNT
External services	61,005,314.90
Administrative management (Caisse des dépôts et consignations)	23,379,148.68
Investment company fees	35,442,592.13
Other external services	2,183,574.09
Of which trading fees on forward financial instruments	1,155,563.50
Duties and taxes	81,055.50
Payroll	977,143.27
Depreciation and amortisation	16,244,152.84
Total	**78,307,666.51**

Operating income

	AMOUNT
External services	12,397,632.40
Other external services	**12,397,632.40**

Off-balance-sheet commitments

Forward Foreign Exchange Contracts

CURRENCY CODES	CURRENCY RECEIVABLE	%	CURRENCY DELIVERABLE	%
AUD	0.00	0.00%	0.00	0.00%
CAD	0.00	0.00%	0.00	0.00%
CHF	18,687,073.22	0.53%	7,864,752.82	1.89%
DKK	6,856,176.44	0.19%	281,529.22	0.07%
GBP	146,663,339.07	4.16%	231,842.65	0.06%
HKD	0.00	0.00%	0.00	0.00%
JPY	17,847,471.25	0.51%	224,146,265.67	54.00%
NOK	10,734,169.51	0.30%	242,957.16	0.06%
NZD	0.00	0.00%	0.00	0.00%
SEK	37,769,334.37	1.07%	37,207.55	0.01%
SGD	0.00	0.00%	0.00	0.00%
USD	3,286,373,569.04	93.23%	182,285,197.87	43.91%
Total	**3,524,931,132.90**	**100.00%**	**415,089,752.94**	**100.00%**

Other commitments

Off-balance-sheet commitments (OBC) valued on derivatives

INDEX FUTURES

EQUITIES

Geographical regions	OB Commit. Valued
Eurozone	721,589,630.00
America	1,583,124,607.26
Asia excluding Japan	173,085,374.84
Emerging countries	116,029,349.91
Japan	66,382,673.83
Total	**2,660,211,635.85**

INTEREST RATE FUTURES

BONDS

Geographical regions	OB Commit. Valued
Eurozone	567,976,210.00
of which France	479,104,070.00
America	-3,757,955.85
Total	**564,218,254.15**

STATUTORY AUDITORS' GENERAL REPORT

forvis mazars
45, rue Kléber
92300 Levallois Perret

Grant Thornton
29, rue du Pont
92578 Neuilly-sur-Seine Cedex

FONDS DE RESERVE POUR LES RETRAITES

Rapport des commissaires aux comptes sur les comptes annuels

Exercice clos le 31 décembre 2025

Forvis Mazars
Société Anonyme d'expertise comptable et de commissariat aux comptes à directoire et conseil de surveillance
Capital de 8.320.000 €
RCS Nanterre 784 824 153

Grant Thornton
Société par Actions Simplifiée d'expertise comptable et de commissariat aux comptes
Capital de 2.297.184 €
RCS Nanterre 632 013 843

FONDS DE RESERVE POUR LES RETRAITES
56, rue de Lille
75007 Paris

Rapport des commissaires aux comptes sur les comptes annuels
Exercice clos le 31 décembre 2025

Aux membres du Conseil de Surveillance,

Opinion

En exécution de la mission qui nous a été confiée par le Conseil de Surveillance, nous avons effectué l'audit des comptes annuels du Fonds de Réserve pour les Retraites relatifs à l'exercice clos le 31 décembre 2025, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine du Fonds de Réserve pour les Retraites à la fin de cet exercice.

Fondement de l'opinion

Référentiel d'audit

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités des Commissaires aux comptes relatives à l'audit des comptes annuels » du présent rapport.

Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance prévues par le code de commerce et par le code de déontologie de la profession de commissaire aux comptes, sur la période du 1er janvier 2025 à la date d'émission de notre rapport.

Justification des appréciations

En application des dispositions des articles L.821-53 et R.821-180 du code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les appréciations suivantes qui, selon notre jugement professionnel, ont été les plus importantes pour l'audit des comptes annuels de l'exercice.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes annuels pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes annuels pris isolément.

Comme il est précisé à la note 1 de l'annexe des comptes « Règles et méthodes comptables utilisées », les comptes sont établis selon les principes et méthodes du plan comptable unique des organismes de sécurité sociale et l'avis CNC n°2003-07 du 24 juin 2003 modifié par l'avis n°2008-10 du 5 juin 2008 relatif à la comptabilisation des instruments financiers du Fonds de Réserve pour les Retraites.

Dans le cadre de notre appréciation des règles et méthodes comptables suivies par votre Etablissement, en particulier de celles relatives à l'évaluation des instruments financiers en portefeuille, nous avons vérifié le caractère approprié de ces règles et méthodes et des informations fournies dans les notes de l'annexe, et nous nous sommes assurés de leur correcte application.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires.

Informations données dans le rapport de gestion et dans les autres documents sur la situation financière et les comptes annuels adressés aux membres du Conseil de Surveillance

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du Directoire et dans les autres documents sur la situation financière et les comptes annuels adressés aux membres du Conseil de Surveillance.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes annuels

Il appartient à la direction d'établir des comptes annuels présentant une image fidèle conformément aux règles et principes comptables français ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à la direction d'évaluer la capacité du Fonds de Réserve pour les Retraites à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider le Fonds ou de cesser son activité.

Les comptes annuels ont été soumis par le Directoire au Conseil de surveillance.

Responsabilités des commissaires aux comptes relatives à l'audit des comptes annuels

Il nous appartient d'établir un rapport sur les comptes annuels. Notre objectif est d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L.821-55 du code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de l'Etablissement.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit.

En outre :

- il identifie et évalue les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;

- il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, ainsi que les informations les concernant fournies dans les comptes annuels ;
- il apprécie le caractère approprié de l'application par la direction de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité de l'Etablissement à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;
- il apprécie la présentation d'ensemble des comptes annuels et évalue si les comptes annuels reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle.

Les Commissaires aux comptes

Forvis Mazars		Grant Thornton
Levallois-Perret 11/3/2026		Neuilly-sur-Seine 11/3/2026
DocuSigned by: DUNAND-ROUX Gilles	Signé par : Jean-Luc Mendiela	DocuSigned by: Azarias SEKKO
Gilles DUNAND-ROUX	Jean-Luc MENDIELA	Azarias SEKKO
Associé	Associé	Associé

FONDS DE RESERVE POUR LES RETRAITES 5
Rapport des commissaires aux comptes sur les comptes annuels
Exercice clos le 31 décembre 2025

Creation and production: Agence Luciole

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